1 OCT 1935

ANNUAL REPORT

OF THE

Indian Merchants' Chamber

FOR THE YEAR

1934

Presented to the Annual General Meeting of the Chamber held on 2nd February 1935

LIBRARY OF THE BOMBAY BRANCH OF THE ROYAL ASIATIC SOCIETY

Published by

J. K. Mehta, M.A., Secretary, Indian Merchants' Chamber, Jehangir Wadia Building, Esplanade Road, Fort, Bombay.

Printed by V. V. Bambardekar, at The India Printing Works, Bombay 10.

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LIST OF MEMBERS

OF

THE INDIAN MERCHANTS' CHAMBER.

Honorary Member:

MAHATMA GANDHI.

LIST OF MEMBERS

of

THE INDIAN MERCHANTS' CHAMBER

No.	Representative.	Member.	Address.
1	Mr. Chunilal Devkaran Nanji	Messrs. Chugondas & Co. ..	17, Elphinstone Circle, Fort, Bombay.
2	,, Bhagwandas Munmohundas	,, Munmohundas Ramji & Co.	Patel House, Churchgate Street, Fort, Bombay.
3	,, Chatrabhuj Morarji ..	,, Morarji Velji & Sons ..	Kalbadevi Road, Kolbhat Street, Bombay.
4	,, Jamnadas Devidas ..	,, Jethabhai Govindji & Co.	Mulji Jetha Market, Sir Vithaldas Galli, Bombay.
5	,, Jethabhai Kalyanji ..	,, Valji Shamji & Co., ..	Mulji Jetha Market, Chowk, Bombay.
6	Mr. Karsandas Thackersey ..	Messrs. Damodar Haridas & Co.,	Mulji Jetha Market, Chikhal Galli, Bom.
7	,, Devidas Madhowji Thackersey	,, Madhowji Thackersey & Sons.	Raja Bahadur Motilal Mansion, Bruce Street, Bombay.
8	,, Ramdas Madhowji ..	,, Ramdas Madhowji & Co.	Mulji Jetha Market, New Narayan Chowk, Bombay.
9	,, Vithaldas Damodar Govindji.	,, Damodar Govindji Sons & Co.	Govind Building, Princess St., Bombay.
10	,, Morarji Hemraj Kanji	,, Hemraj Kanji & Co. ..	Mulji Jetha Market, New Govind Chowk, Bombay.
11	,, Hiralal Amritlal Shah ..	,, Hiralal Amritlal & Co.,	Champsey Bldg., Princess Street, Bombay.
12	,, Haridas Purshottam Govindji.	,, Purshottam Govindji & Co.	Mulji Jetha Market, Chowk, Bombay.
13	,, Harjivan Valji ..	,, Harjivan Valji & Co., ..	12 Champa Galli, Shaikh Memon St., Bom.
14	,, Chhotalal Kanji ..	,, Chaturbhuj Jivandas & Co.	Kanji Gordhandas Bldg., Lohar Chawl, Bombay.
15	,, Bhugwandas Vussonji ..	,, Kanji Karsan & Co., ..	56, Pedder Road, Bombay.
16	,, Mathuradas Dwarkadas	,, Lalji Naranji & Co., ..	Ewart House, Tamarind Lane, Fort, Bom.
17	,, Vaman Shridhar Apte ..	,, Vaman Shridhar Apte & Co.	Mulji Jetha Market, Govind Chowk, Bombay.

No.	Representative.	Member.	Address.
18	Hon. Sir Phiroze C. Sethna ..	Hon. Sir Phiroze C. Sethna ..	Canada Building, Hornby Road, Fort, Bombay.
19	Mr. Madhowji Damodar Thackersey.	Messrs. Thackersey Moolji & Co.	16, Apollo Street, Fort, Bombay.
20	,, Chaturbhuj Gordhandas Sunderdas	,, Mulji Jetha & Co., ..	Ewart House, Tamarind Lane, Fort, Bombay.
21	,, Manmohandas Laxmidas	,, Motilal Keshavji & Co.,	81, Vithalvadi, Kalbadevi Road, Bombay.
22	,, Gordhandas Govindji ..	,, Morarji Govindji & Co.,	Mulji Jetha Market, Chikhal Galli, Bombay.
23	,, Mulji Goculdas ..	,, Dharamsey Rattansey	Laxmidas Khimji Market, Shaikh Memon Street, Bombay.
24	,, Ramdas Ranchordas ..	,, Ranchordas Thakersey & Co.,	454-458, Kalbadevi Road, Bombay.
25	,, Jamnadas Harakhji Sanghvi.	,, Jamnadas Harakhji & Co.,	82, Dady Seth Agiari Lane, Bombay.
26	,, Jethmal Narandas ..	,, Jethmal Narandas & Co.	Mulji Jetha Market, Sancha Galli, Bombay.
27	,, Mathuradas Haribhai ..	,, Mathuradas Haribhai & Co.	Mulji Jetha Market, Dharamraj Galli, Bombay.
28	,, Laxmidas Keshavji ..	,, Haridas Keshavji & Co.	Parvati Building, Girgaum Road, Bombay.
29	Mr. Manilal Revashanker ..	Messrs. Revashanker Jagjivan & Co.	Khara Kuva, Shaikh Memon Street, Bombay.
30	,, Sheriff Dewji Canjee ..	,, Dewji Canjee & Co., ..	Chakla Street, Mandvi, Bombay.
31	Sir Purshotamdas Thakurdas	,, Narandas Rajaram & Co	Navsari Chambers, Outram Road, Fort, Bombay.
32	Mr. Govindji Ratansi Mulji ..	Mr. Govindji Ratansi Mulji ..	Feltham House, Ballard Estate, Fort, Bombay.
33	,, Dhanjibhoy B. Petit ..	Messrs. Dhanjibhoy B. Petit & Co.	Union Bank Bldg., Apollo St., Fort, Bombay.
34	,, Govindlal Shivlal ..	,, Raja Bahadur Shivlal Motilal	"Shri Sadan" 15, Land's End Road, M. Hill, Bombay.
35	,, S. R. Bomanji ..	Mr. S. R. Bomanji ..	Forbes Street, Fort, Bombay.
36	,, Hansraj Jivandas ..	Messrs. Khimji Vishram & Co. ..	Dana Bunder, Broach Street, Bombay.
37	,, Cawasji Pallonji Chowna	,, Drewet Chowna & Co. ..	49, Yusuf Bldg., Church Gate Street, Fort, Bombay.
38	,, Kaikobad Cowasji Dinshaw.	,, Cowasji Dinshaw & Bros.	121, Medows Street, Fort, Bombay.
39	,, Mathuradas Vissanji ..	Mr. Mathuradas Vissanji ..	9, Wallace Street, Fort, Bombay.
40	,, Govindram Harsomal ..	Messrs. Tarachand Ghanshamdas	Jhaveri Bazar, Shaikh Memon Street, Bombay.
41	,, Karsandas Mulji Jetha. ..	Mr. Karsandas Mulji Jetha ..	Ewart House, Tamarind Lane, Fort, Bombay.

No.	Representative.	Member.	Address.
42	Mr. Velji Lukhamsi Nappoo	The Grain Merchants' Association	262, Musjid Bunder Road, Bombay.
43	„ Pestonji Edulji Dhala ..	The Indian Mercantile Insurance Co. Ltd.	11, Bank Street, Fort, Bombay.
44	„ Sultanbhoy Hajibhoy ..	Messrs. Hajibhoy Lalji & Co., ..	Akbar Building, Hornby Road, Fort, Bombay.
45	„ Chaturbhuj Vallabhdas ..	„ Gordhandas Khetsey ..	Manordas Street, 40, Holi Chakla, Fort, Bombay.
46	„ N. M. Raijee ..	„ S. B. Billimoria & Co. ..	113, Esplanade Road, Fort, Bombay.
47	„ R. D. Lam	„ Tata Sons, Ltd. ..	Bombay House, Bruce St., Fort, Bombay.
48	„ Dadabhai J. Registrar ..	The Berar Mfg. Co., Ltd. ..	Lloyd Building, Ballard Estate, Fort, Bombay.
49	„ Hirjibhai Shapurji Patuck	Messrs. H. S. Patuck & Co. ..	Ismailji Building, Bank Street, Fort, Bombay.
50	Sir Kikabhai Premchand ..	„ Premchand Roychand & Sons.	Apollo Street, Fort, Bombay.
51	Mr. Thakordas Panachand ..	„ Manekchand Panachand & Co.,	190, Jhaveri Bazar, Shaikh Memon Street, Bombay.
52	Dr. M. Venkatrao ..	„ N. Powell & Co.,	Lamington Road, Bombay.
53	Mr. Nahalchund Laloochund	Mr. Nahalchund Laloochund ..	Tamba Kanta, Pydhonie, Bombay.
54	„ Bharata K. S. Aiyar ..	Messrs. K. S. Aiyar & Co., ..	65, Apollo Street, Fort, Bombay.
55	„ Hirachand Vanechand Desai.	„ Hirachand Vanechand Desai & Co.	Kalbadevi Road, Bombay.
56	Prof. S. R. Davar ..	„ Davar's College of Commerce	80-82, Esplanade Road, Fort, Bombay.
57	Mr. Phirozeshaw N. Mehta ..	„ P. N. Mehta & Co. ..	Cook's Building, Hornby Road, Fort, Bombay.
58	„ Nandlal Kilachand ..	„ Kilachand Devchand & Co. Ltd.	Allahabad Bank Building, Apollo Street, Fort, Bombay.
59	Sir Sorabji N. Pochkhanavala	The Central Bank of India, Ltd.	Esplanade Road, Fort, Bombay.
60	Mr. Mohanlal Ambalal Parikh	The Bombay Shroff Association	Shroff Bazar, Shaikh Memon Street, Bombay.
61	„ Mathuradas Govindji ..	Messrs. Goculbhai Dolatram & Co.	170-72 Kalbadevi Road, Bombay.
62	„ Lavji Meghji ..	„ Curumsey Damji & Sons	Kandivali. (B.B. & C.I. Rly.)
63	„ Liladhar Javerchand ..	„ Mulchand Vussanji & Co.	90, Bazar Gate Street, Fort, Bombay.
64	„ Dwarkadas Tribhovandas	Mr. Dwarkadas Tribhovandas ..	Shingani Building, Marwari Bazar, Bombay.
65	„ R. D. Patel ..	Messrs. Patel Bros. ..	Patel House, Churchgate St., Fort, Bombay.

No.	Representative.	Member.	Address.
66	Mr. Hormasji D. Jassoobhoy	Messrs. Chandabhoy & Jassoobhoy	43, Apollo Street, Fort, Bombay.
67	,, Fakirmahomed C. L. Sajun.	Messrs. C. L. Sajun & Co., ..	Carnac Bunder, Bombay.
68	,, Rowjee Ghellabhoy ..	,, Hirji Ghellabhoy & Co.	Bhat Bazar, Mandvi, Bombay.
69	,, Vithaldas Liladhar Bhimji	Mr. Vithaldas Liladhar Bhimji.	Princess Street, Bombay.
70	,, M. V. Subiah ..	The Commission and General Agency.	Ali Building, Nagarthpet, Bangalore City.
71	,, Dwarkadas Kalyandas ..	Mr. Dwarkadas Kalyandas ..	Ridge Road, Malabar Hill, Bombay.
72	,, Lakhmidas Rowjee Tairsee	Messrs. Lakhmidas & Co., ..	29-31-33, Bora Bazar Street, Holi Chakla, Bombay.
73	,, Kirtilal Manilal ..	,, Surajmal Lallubhai & Co.	Kalbadevi Road, Bombay.
74	,, Maneklal A. Mehta ..	Messers. Nagindas & Maneklal..	Ravelin Street, Hornby Road, Fort, Bom.
75	Mr. Mavji Govindji ..	Messrs. Mavji Govindji & Co. ..	Apollo Street, Fort, Bombay.
76	,, Sankalchand G. Shah. ..	The Bombay Yarn, Copper and Brass Native Merchants' Association.	Tamba Kanta, Pydhonie, Bombay.
77	,, Dalpatram B. Trivedi ..	Messrs. Trivedi & Co.,	Navsari Chamber, Outram Road, Fort, Bombay.
78	,, M. D. Gandhi. ..	The Punjab National Bank, Ltd.	Amir Building, Elphinstone Circle, Bombay.
79	,, Ramchandra M. Bhatt ..	Mr. Ramchandra M. Bhatt. ..	36-37, Sandhurst Road, Girgaum, Bombay.
80	,, Jamnadas Dayalji Mehta	Messrs. Pitamber & Co.,	Sudama House, Wittet Road, Ballard Estate, Fort, Bombay.
81	,, Bhailal Dajibhai Amin ..	The Alembic Chemical Works Co. Ltd.,	Baroda Camp.
82	,, A. D. Shroff ..	Messrs. Batlivala & Karani ..	Dalal Street, Fort, Bombay.
83	,, Maneklal Manilal Ranchhoddas Pari.	Mr. Maneklal Manilal Ranchhoddas Pari.	Maneck Chawk, Ahmedabad.
84	,, P. J. Bilimoria ..	The Indian Cement Co., Ltd. ..	Bombay House, Bruce Street, Fort, Bombay.
85	,, M. A. J. Noble ..	Mr. M. A. J. Noble. ..	Graham Bldg., Parsi Bazar St., Fort, Bombay.
86	,, Jayvant Shantaram Divadkar.	Messrs. Narayan Dhondoba & Co.	Lloyd Building, Ballard Estate, Fort, Bombay.
87	,, Shoorji Vallabhdas ..	,, Shoorji Vallabhdas & Co.	Cutch Castle, Sandhurst Road, Bombay.

No.	Representative	Member.	Address
88	Mr. Narsidas Jekisandas Gangadas	Mr. Narsidas Jekisandas Gangadas	Shahibag, Ahmedabad.
89	,, Jiwandas Doongursee ..	Messrs. Doongursee & Sons.	59, Forbes Street, Bombay.
90	,, Ramnivas Ramnarain ..	,, Harnundrai Ramnarain	C/o Phoenix Mill, Ltd. 143, Esplanade Road, Bombay.
91	,, Hormasji Bapuji Gazdar	Mr. Hormasji Bapuji Gazdar ..	Beach House, Neapen Sea Road, Malabar Hill, Bombay.
92	,, T. M. Rangachari	,, T. M. Rangachari ..	Poonamallee High Road, Vepery, Madras.
93	,, Walchand Hirachand ..	,, Walchand Hirachand ..	Phoenix Building, Ballard Estate, Bombay.
94	,, Ambalal Sarabhai ..	,, Ambalal Sarabhai ..	"Retreat," Shahibag, Ahmedabad.
95	,, Mansukhlal Atmaram Master	,, Mansukhlal Atmaram Master	Sudama House, Wittet Road Ballard Estate, Bombay.
96	,, Damodar Govindji Madhowji.	Messrs. Govindji Madhowji & Co	16, Apollo Street, Bombay.
97	,, Bhagwandas Gordhandas	Mr. Bhagwandas Gordhandas ..	9, Wallace Street, Fort, Bombay.
98	Mr. Mathuradas Canji Matani	Messrs. Kanji Dwarkadaswala ..	53, Mint Road, Fort, Bombay.
99	,, Madhavlal Makanji ..	,, Madhavlal & Co., Ltd...	Alice Building, Hornby Road, Bombay.
100	,, Nemchand Popatlal Vohora	,, C. K. Vohora & Co., ..	Saker Bazar Cross Lane, Railway Pura Post, Ahmedabad.
101	,, Nandlal Madhavdas ..	,, Amersey Damodar ..	106, Bhuleswar Road, Bombay.
102	,, Kekhushru Manekji Cooper. ..	,, K. & J. Cooper ..	Soonama House, Cumballa Hill, Bombay.
103	,, Narandas Keshoordas ..	,, Lalji Godhoo & Co., ..	Samuel Street, Vadgadi, Bombay.
104	,, Manilal Balabhai ..	,, Manilal Balabhai & Co.,	36, Humam Street, Fort, Bombay.
105	,, Shantidas Askuran ..	Mr. Shantidas Askuran ..	"Shanti Nivas," Nepean Sea Road, Bombay.
106	,, Vyas Laxmishanker Narbadashanker	,, Vyas Laxmishanker Narbadashanker.	Engineer, The Vasant Spg. & Wg. Mill, Broach.
107	,, Ishwardas Lukhmidas ..	,, Ishwardas Lukhmidas ..	"Garden View" Hughes Road, Bombay.
108	,, Ishwarlal Ganpatram Gajjar	,, Ishwarlal Ganpatram Gajjar	Parekh Building, New Queen's Road, Bombay.
109	,, Vassanji Naranji Bhimji	,, Vassanji Naranji Bhimji ..	Vadgadi, Mandvi, Bombay.

No.	Representative.	Member.	Address.
110	Mr. Rahimtulla M. Chinoy ..	Messrs. F. M. Chinoy & Co.,	Band Stand, Chowpatty, Bombay.
111	„ Edulji S. Cooper ..	„ Pallonji Edulji & Sons.	New Charni Road, Girgaon, Bombay.
112	„ Velji Lukhamsi Nappoo..	„ Nappoo Nensee & Co. ..	188, Argyle Road, Dana Bunder, Bombay.
113	„ Alimohamad R. Macklai	Mr. Alimohamad R. Macklai ..	97, Esplanade Road, Fort, Bombay.
114	„ J. H. Bhabha ..	The Tata Hydro Electric Power Supply Co. Ltd.	Bombay House, Bruce Street, Bombay.
115	„ Dwarkadas Jekisondas ..	Mr. Dwarkadas Jekisondas ..	Dwarkadas Mansion, Sandhurst Road, Bombay.
116	„ Hansraj Haribhai ..	Messrs. Hansraj & Co. ..	20, Elphinstone Circle, Fort, Bombay.
117	„ Vallabhdas Runchordas..	„ Vallabhdas Runchordas & Co.	Mahim, Bombay 16.
118	„ Kapilram H. Vakil ..	Mr. Kapilram H. Vakil. ..	Navsari Building, Hornby Road, Bombay.
119	„ Baldevdas Dalshukhram Dave.	Messrs. Somnath Rupjidas Patel.	35, 3rd Bhoiwada Bhuleshwar, P. O. Box 2080, Bombay.
120	„ Dawood Haji Nassur ..	„ Nassur Haji Mavji & Co. ..	Nassur Building, Mahomadalli Road, Bom.
121	Mr. Amratlal Amerchand ..	Messrs. Amerchand Madhowji & Co.	36, Kazi, Sayed Street, Mandvi, Bombay.
122	„ Framji Dorabji Pande ..	„ Pestonji & Co. ..	York Building, Hornby Road, Bombay.
123	„ Laxmidas G. Tejpal ..	Mr. Laxmidas G. Tejpal ..	Vile-Parle (B.B. & C. I. Rly.) Bombay.
124	„ Morarji Premji Goculdas	Messrs. M. P. Goculdas & Co...	Yusuf Building, Churchgate St., Fort,Bom.
125	„ Behram N. Karanjia ..	Mr. Behram N. Karanjia ..	238-240, Musjid Bunder Road, Bombay.
126	„ Madhavdas Goculdas Pasta	„ Madhavdas Goculdas Pasta	11, Bastion Road, Fort, Bombay.
127	„ Jamnadas Morarji ..	Messrs. Jamnadas Morarji & Sons	Share Bazar, 8-10, Dalal St., Fort, Bom.
128	„ Sarabhai Prataprai ..	Mr. Sarabhai Prataprai ..	"Madhuli," Grant Road, Bombay.
129	„ Balkishandas Ramkishandas	„ Balkishandas Ramkishandas	207-209, Kalbadevi Koad, Bombay.
130	„ Gordhandas Parshottamdas	Messrs. Narrondas Manordas & Co.	Shaikh Memon Street, Bombay.
131	„ R. J. Duff ..	The New India Assurance Co., Ltd.	Central Bank Building, Esplanade Road, Bombay.
132	„ Purshottam Kanji ..	Messrs. Kanji Cursondas & Co.	183-185, Hornby Road, Bombay.
133	„ Jamnadas Vassanjee ..	The Bombay Swadeshi Co-operative Stores Co. Ltd.	Cruikshank Road, Fort, Bombay.

No.	Representative.	Member.	Address.
134	Mr. Maganbhai P. Amin. ..	Messrs. Maganbhai Amin & Co.	32, Apollo Street, Fort, Bombay.
135	„ Dhirajlal Maganlal ..	„ Purshotam Pranvallubh & Co.	Dalal St., Share Bazar, Bombay.
136	„ Aboobaker Abdulrehman	„ Aboobaker Abdulrehman & Co.	14, Custom House Road, Fort, Bombay.
137	„ Tulsidas Karsandas ..	„ Parmanand Karsandas Hargovam	Mulji Jetha Market, Chowk, Bombay.
138	„ S. D. Shethia ..	„ Shivji Dharamsey Shethia & Co.,	Graham Building, Parsee Bazar St., Fort Bombay.
139	„ Jamnadas Ramdas ..	„ Tulsidas Ramdas	18-22, Marwari Bazar, Bombay.
140	„ Pragji Dayal Hariani ..	Mr. Pragji Dayal Hariani ..	112, D'Souza Street, Mandvi, Bombay.
141	„ Jivanlal Chimanlal Setalvad.	Messrs. J. C. Setalvad & Co. ..	Jehangir Wadia Building, Esplanade Road, Bombay.
142	„ Narandas Bhavanji ..	„ Narandas Bhavanji & Co	Gadhsisa (Cutch)
143	„ Rattansey Hirji ..	„ Hirji Govindji & Co., ..	45, Baroda St., Dana Bunder, Bombay.
144	„ Mohanlal Hemchand Jhaveri.	„ Chimanlal Mohanlal & Co.	Patel Building, Javeri Bazar, Bombay.
145	Mr. Balabhai Jamnadas ..	The Gujarat Oil Mill & Mfg. Co. Ltd.	Asarva, Post Railwaypura, Ahmedabad.
146	„ Ratan C. Gazdar ..	Messrs. Bomanji C. Gazdar & Co	16, Apollo Street, Fort, Bombay.
147	„ Maneklal Ujamshi ..	Mr. Maneklal Ujamshi ..	70, Apollo Street, Fort, Bombay.
148	„ Hooseinbhoy Hassum ..	„ Hooseinbhoy Hassum ..	108, Samuel Street, Bombay.
149	„ B. K. Setalvad ..	Messrs. M. Kanji & Co. ..	Cawasji Patel Street, Fort, Bombay.
150	„ Shantikumar N. Morarjee	The Sholapoor Spg. & Wg. Co. Ltd.	Sudama House, Wittet Road, Ballard Estate, Bombay.
151	„ Lakhmidas G. Dossa	Messrs. Goculdas Dossa & Co. ..	22, Apollo Street, Fort, Bombay.
152	„ Darasha Hormasji ..	„ Morarji & Hormasji ..	Shaikh Memon Street, 19, Champa Galli, Bombay.
153	„ Dorab Bomanji Kapadia	Mr. Dorab Bomanji Kapadia ..	C/o Mr. N. H. Katrak, Hirji Mansion, Gowalia Tank Road, Bombay.
154	„ Motiram Waghji ..	„ Motiram Waghji ..	112, New Chinch Bunder, Mandvi, Bombay.
155	„ Chunilal Baldevdas ..	„ Chunilal Baldevdas ..	C/o Gordhandas Mulchand, 2nd Bhoiwada, Bhuleshwar, Bombay.
156	„ Ratanchand Hirachand ..	The Tata Construction Co., Ltd.,	Phoenix Building, Ballard Estate, Bom.
157	„ H. H. Belgaumwalla ..	Mr. H. H. Belgaumwalla ..	Hubli.

No.	Representative.	Member.	Address.
158	Prof. Khushal T. Shah ..	Prof. Khushal T. Shah ..	Madhav Nivas, 8, Laburnum Road, Gamdevi, Bombay.
159	Mr. Nensey Tejpal ..	Mr. Nensey Tejpal ..	Nana Colaba, Thomas Street, Bombay.
160	„ Behram N. Karanjia ..	The Silk Merchants' Association	Shri Krishna Nivas, Kalbadevi Road, Bombay.
161	„ S. J. Pandya ..	The Scindia Steam Navigation Co. Ltd.	Sudama House, Wittet Road, Ballard Estate, Fort, Bombay.
162	„ Hooseinbhoy A. Lalljee	Messrs. Abdullabhoy Lalljee & Co.	Standard Bldg., Hornby Road, Bombay.
163	Sir M. Visvesvaraya ..	Sir M. Visvesvaraya ..	Uplands, High Ground, Bangalore.
164	Mr. M. G. Mehta ..	Messrs. Bakubhai Ambalal & Co.	Mohamed Building, 27, Bastion Road, Fort, Bombay.
165	„ A. M. Lala ..	„ Nanavati Vevaina & Co.	Sudama House, Wittet Road, Ballard Estate, Bombay.
166	„ B. J. Modi. ..	The Jupitar General Insurance Co. Ltd. ..	Ewart House, Tamarind Lane, Fort, Bombay.
167	„ B. M. Bhargava ..	The Union Bank of India, Ltd.	Apollo Street, Fort, Bombay.
168	„ Gulabchand Naginchand	The Pearl Merchants and Jewellers' Association.	25-39, Mumbadevi Road, Bombay.
169	*Mr. R. N. Bapasola* ..	*Mr. R. N. Bapasola* ..	*Forbes Street, Fort, Bombay.*
170	„ Manmohandas Madhavdas Amersey	Messrs. Amersey & Sons. ..	Sudama House, Wittet Road, Ballard Estate, Bombay.
171	„ Lalji Rowji Khant ..	„ Shoorji Vallabhdas Colour Co.	Samuel Street, Bombay.
172	„ Ratansey Karsandas ..	„ Karsandas Ranchhoddas	60, Bazar Gate Street, Fort, Bombay.
173	„ Jehangir P. Katgara ..	„ Jeena & Co. ..	Gresham Building, Esplanade Road, Fort, Bombay.
174	„ Dhruva Sumanas ..	Mr. Dhruva Sumanas ..	Murzbanabad Road, Andheri.
175	„ Nensey Narandas Topan.	Messrs. Narandas Topan ..	Tamba Kanta, Phydhonie, Bombay.
176	„ Morarji Mulraj Khatau	The Khatau Makanji Spg. & Wg. Co. Ltd.	Laxmi Building, 42, Ballard Road, Bombay.
177	„ Khursetji Limji ..	The Bombay Cycle and Motor Agency, Ltd.	16, New Queen's Road, Bombay.
178	„ Nassurvanji S. Guzdar	Messrs. Nassurvanji S. Guzdar & Co.	Canada Building, Home Street, Fort, Bombay.
179	„ Gordhandas Goculdas Morarji	Mr. Gordhandas Goculdas Morarji	Harkness Road, Walkeshwar, Bombay.
180	„ B. Das ..	„ B. Das	P. O. Chandni Chowk, Cuttack.
181	„ Manilal Jugaldas ..	Messrs. Chunilal Harilal & Co.,..	4, Green Street, Fort, Bombay.

No.	Representative.	Member.	Address.
182	Mr. Chaturbhuj Khiasee ..	Messrs. Chaturbhuj Khiasee & Co.	81-83, Chinch Bunder Road, Bombay.
183	,, Vishvanath P. Vaidya ..	Mr. Vishvanath P. Vaidya ..	Fort Chamber, 6-10, Dean Lane, Fort, Bombay.
184	,, H. M. Chowna ..	Messrs. H. M. Chowna & Co. ..	73, Apollo Street, Fort, Bombay.
185	,, S. D. Saklatvala ..	,, Tata Mills, Ltd. ..	Bombay House, Bruce Street, Fort, Bombay.
186	Sir Nowroji B. Saklatvala ..	The Svadeshi Mills Co., Ltd. ..	Bombay House, Bruce Street, Fort, Bombay.
187	Mr. Mafatlal Gagalbhai ..	The Standard Mills, Co., Ltd. ..	29, Rustom Building, Churchgate St., Bombay.
188	,, Chamanlal Girdhardas. Parekh ..	The Industrial Bank of Western India, Ltd. ..	Mirzapur Road, Ahmedabad.
189	,, Ahmed Habib ..	Messrs. Khoja Mithabhai Nathoo	Hanuman Building, Tamba Kanta, Bombay.
190	,, H. P. Mody	Mr. H. P. Mody. ..	Cumballa Hill, Bombay.
191	,, Shantikumar Narottam Morarjee.	,, Shantikumar Narottam Morarjee.	Juhu, Via Santa Cruz.
192	,, C. B. Nanavati ..	The Eastern Bunkerers Ltd.	Sudama House, Wittet Road, Ballard Estate, Fort, Bombay.

193	Mr. Shiavax C. Cumbata ..	Messrs. Shiavax C. Cumbata & Co. Ltd. ..	Cook's Building, Hornby Road, Fort, Bombay.
194	Sir Currimbhoy Ebrahim, Bart	Sir Currimbhoy Ebrahim, Bart.	Jiji House, Ravelin St., Fort, Bombay..
195	Mr. Karmali Ebrahim ..	Messrs. Karmali Ebrahim & Co.	165, 167, Khoja Mohalla, Mandvi, Bombay.
196	Khan Bahadur Phirojshaw D. Patel ..	Khan Bahadur Phirojshaw D. Patel ..	C/o Messrs. Patel Tyebji & Co., Central Bank Bldg. Fort, Bombay.
197	Mr. Chunilal B. Mehta ..	The Bombay Bullion Exchange, Ltd.	171, Shroff Bazar, Bombay.
198	The Hon. Sirdar Sir Suleman Cassum Haji Mitha.	The Hon. Sirdar Sir Suleman Cassum Haji Mitha.	27, Kolsa Mohalla, Pydhoni, Bombay.
199	Mr. Mafatlal Gagalbhai ..	Mr. Mafatlal Gagalbhai ..	29, Rustom Building, Churchgate St., Bombay.
200	,, Jugatram S. Vaidya ..	The Zandu Pharmaceutical Works Ltd.	Elphinstone Road, Bombay.
201	,, M. C. Ghia ..	Messrs. M. C. Ghia & Co. ..	24, Elphinstone Circle, Fort, Bombay.
202	Hon. Raja Sir S. R. M. Annamalai Chetty. ..	Hon. Raja Sir S. R. M. Annamalai Chetty.	"Natana Vilas," 38, P. C. Road, Vepery, Madras.
203	Mr. Nagindas G. Shah ..	Messrs. Sankalchand G. Shah & Co.	Hanuman Building, Tamba Kanta Bombay.
204	,, Meyer Nissim ..	Mr. Meyer Nissim ..	Menkwa Building, Outram Road, Fort, Bombay.
205	,, D. D. Writer ..	Dr. D. Writer & Co. ..	Bhavanishanker Road, Dadar, Bombay.

No.	Representative.	Member.	Address.
206	Mr. Popatlal Girdharlal ..	Messrs. Popatlal Girdharlal & Co.	65, Apollo Street, Fort, Bombay.
207	,, Keshavprasad C. Desai ..	The Industrial & Prudential Assurance Co. Ltd.	Jehangir Wadia Building, Esplanade Road, Bombay.
208	,, R. E. Mody ..	Messrs. R. E. Mody & Co., ..	Reay Road, Tank Bunder, Bombay.
209	,, Kishanchand Rupchand Binani	,, Rai Bahadur Tikamchand.	299, Kalbadevi Road, Bombay.
210	,, Dhirajlal C. Mody ..	The Gujerati Type Foundry ..	Gaiwadi, Girgaon, Bombay.
211	,, Manu Subedar ..	Mr. Manu Subedar ..	Kodak House, Hornby Road, Fort, Bombay.
212	,, G. F. Munshi ..	The Gujrat Islam Match Mfg. Co. Ltd.	Kankaria Road, Ahmedabad.
213	,, Kalyanbhai Sarabhai Javeri..	Messrs. Sarabhai & Sons. ..	76-80, Prince Building, Medows St., Bombay.
214	,, Jagjivan Ujamshi Mulji..	The SugarMerchants' Association	Khand Bazar. Bombay.
215	,, K. M. Shinker ..	The Indian Co-operative Navigation & Trading Co. Ld.	Keshavji Building, 149, Frere Road, Bombay.
216	*Mr. C. R. H. Readymoney* ..	*Messrs. India International Co.*	Readymoney Mansion, Churchgate St., Bombay.
217	,, Narayanlal Bansilal Pittee	Mr. Narayanlal Bansilal Pittee..	205-207-209, Kalbadevi Road, Bombay.
218	,, F. E. Dinshaw ..	,, F. E. Dinshaw	C/o Messrs. Payne & Co., Solicitors, Esplanade Road, Fort, Bombay.
219	,, Sorab Dalal ..	Messrs. Sorab Dalal Potteries ..	"Westview," Khanpur Road, Ahmedabad.
220	,, S. Bhattacherjee ..	The Bengal Luxmi Cotton Mills, Ltd.	28, Pollock Street, Calcutta.
221	,, Tricumdas D. Morarji. ..	The Dharamsi Morarji Chemical Co. Ltd.	Sudama House, Wittet, Road, Ballard Estate, Bombay.
222	,, Bhogilal Laherchand Javeri.	Messrs. Batliboi & Co. ..	Forbes Street, Fort, Bombay.
223	,, Mahomed Akbar A... Fazulbhoy.	Bombay Motor Exchange ..	C/o Bombay Radio Co. Ltd. 16, New Queen's Road, Bombay. 4.
224	Pt. Shiv Kishan Kaul ..	Messrs. Sir Daya Kishan Kaul & Sons.	10, Abbott Road, Lahore.
225	Sir Byramjee Jeejeebhoy ..	Sir Byramjee Jeejeebhoy. ..	Alice Building, Hornby Road, Fort, Bom.
226	Mr. B. S. Lalkaka ..	The Pioneer Magnesia Works ..	Chartered Bank Building, Esplanade Rd., Fort, Bombay.
227	,, Dharamsey Mulraj.. Khatau.	Mr. Dharamsey Mulraj Khatau	42, Ballard Road, Fort, Bombay.
228	,, Jehangir Ruttonji Dubash	Mr. Jehangir Ruttonji Dubash	24, Carnac Bridge Road, Akbar Press, Bombay.

No.	Representative	Member.	Address.
229	Mr. Govinddas Maneklal ..	Mr. Govinddas Maneklal ..	Mathuresh Bhuvan, Shahi Bag, Ahmedabad.
230	,, Purshottamdas H. Shah	Messrs. Bhaidas Karsondas &Co.	7/10, Elphinstone Circle, Fort, Bombay.
231	,, Bhagwandas Ramchund	,, Narottamdas Ramchund & Co.	C/o Mackinnon Mackenzie & Co., Ballard Estate, Bombay.
232	,, Vrajlal Jivandas ..	,, Laxmidas Vrajlal & Co.,	100/102, Girgaum Back Road, Bombay.
233	,, J. K. Dubash ..	Mr. J. K. Dubash ..	Dady House, Churchgate Street, Bombay.
234	,, Ratansi Mulji ..	Messrs. Vussonji Morarji ..	36, Holi Chakla, Fort, Bombay.
235	,, Babubhai Manji Sanghvi	,, R. Ratilal & Co. ..	Teju Kaya Bldg., Old Chinch Bunder Road, Bombay 9.
236	,, Jagmohundas Kaliandas	Mr. Jagmohundas Kaliandas ..	"Krishna Kunj" Ridge Road, Bombay.
237	,, M. S. Captain ..	Messrs. Captain & Vaidya ..	121, Esplanade Road, Fort, Bombay.
238	,, Lachmandas Harkhchand Daga.	,, Rai Bahadur Bansilal Abirchand..	558/62, Shaikh Memon Street, Bombay.
239	Mr. Nanji Ludha. ..	Messrs. Kurpal Harsey & Co., (The Bombay Rice Merchants' Association.)	The New Chinch Bunder Road, Bombay.
240	,, Chunilal B. Mehta ..	Messrs. Chunilal Mehta & Co. ..	51, Marwari Bazar, Bombay.
241	,, Ratilal M. Nanavati ..	,, Kantawalla Nanavati & Co. Ltd.	28, Apollo St., Fort, Bombay.
242	,, H. R. Dadabhoy ..	,, Sorabji Shapurji & Co. Ltd.	Wadia Building, 118-20 Parsi Bazar St., Bombay.
243	,, Prabhudas G. Shah ..	,, Jeewanlal (1929) Ltd. ..	Kansara Chawl, Kalbadevi Road, Bombay.
244	,, Sultan Chinoy ..	The Bombay Garage ..	Opp. Band Stand, Chaupatty, Bombay.
245	,, Ahmed N. Futehally. ..	Messrs. N. Futehally & Co.	19, Bank Street, Fort, Bombay.
246	,, Ballabhdas Eshwardas Agrawal. ..	Mr. Ballabhdas Eshwardas Agrawal.	183, Hornby Road, Fort, Bombay.
247	,, Bhawanji A. Khimji ..	Messrs. Arjan Khimji & Co., ..	Navsari Chamber, Outram Road, Fort, Bombay.
248	,, Karamchand Chunilal ..	Mr. Karamchand Chunilal ..	Sriram Mansion, Sandhurst Road, Bom.
249	Seth Kasturbhai Lalbhai ..	Seth Kasturbhai Lalbhai ..	Pankore's Naka, Ahmedabad.
250	Mr. Rustom Pestonji Masani	Mr. Rustom Pestonji Masani ..	118-20, Parsee Bazar St., Fort, Bombay

No.	Representative.	Member.	Address.
251	Mr. Dwarkadas Chhotalal Vakil.	Mr. Dwarkadas Chhotalal Vakil	Wakefield House, Ballard Estate, Bom.
252	Rao Bahadur Laxman Vishwanath Pophale	Rao Bahadur Laxman Vishwanath, Pophale	Malegaon (Nasik District)
253	Mr. Pannalalji Hiralalji ..	Messrs. Mahaboob Shahi Kulbarga Mills Co., Ltd.	1727, Gunj Bazar, Secunderabad (Dn.)
254	„ D. T. Thadhani ..	„ T. S. Thadhani & Sons.	Albert Bldg., Hornby Road, Bombay.
255	„ M. L. Dahanukar ..	Mr. M. L. Dahanukar.	Shri Krishna Nivas, Kalbadevi Road, Bombay.
256	„ K. M. Madon ..	The Tata Iron & Steel Co. Ltd.	Bombay House, Bruce Street, Fort, Bom.
257	„ Karsandas Vissanji ..	Messrs. Vissanji Sons & Co. ..	9, Wallace Street, Fort, Bombay.
258	„ Nemchand Abhechand ..	„ Nemchand Khimchand Co.	182, Shaikh Memon Street, Bombay.
259	„ Motilal Bawalal ..	Mr. Motilal Bawalal. ..	Dalal Street, Fort, Bombay.
260	„ S. C. Majumdar ..	Hindusthan Co-operative Insurance Society, Ltd.	Commissariat Building, Hornby Road, Fort, Bombay.
261	„ Hargovandas Jeevandas	Mr. Hargovandas Jeevandas ..	Diamond Bldg, Lohar Chawl, Bombay.

262	*Mr. Preheladji D. Bhatt* ..	*Messrs. Purshotam Mathradas & Co. Ltd.,*	*80, Kazi Syed Street, Bombay.*
263	„ Ebrahim Curmally ..	Messrs. Curmally Janmahomed	160-62, Samuel Street, Bombay.
264	„ N. W. Gurjar	Messrs. Kirloskar Bros. Ltd. ..	Kirloskarvadi, (Dist. Satara).
265	„ M. L. Dahanukar ..	The Maharashtra Chamber of Commerce.	Phoenix Building, Ballard Estate, Fort, Bombay.
266	„ Jayantilal Devidas ..	Mr. Jayantilal Devidas ..	Carnac Bunder, Bombay.
267	Khan Bahadur D. B. Cooper	The Cooper Engineering Works	"Huntworth" Satara.
268	Mr. Reginald Herber Parker	Bombay Telephone Co., Ltd. ..	Home Street, Fort, Bombay.
269	„ G. K. Dalal ..	Messrs. Dalal & Mehta ..	41, Medows Street, Fort, Bombay.
270	„ Natverlal Bhagvanlal Desai.	„ Natverlal & Co. ..	Whiteway Laidlaw Building, Hornby Rd. Fort, Bombay.
271	„ G. S. Mahomed ..	Mr. G. S. Mahomed ..	144, Samuel Street, Bombay
272	„ Tulsidas Khimji ..	„ Tulsidas Khimji ..	46, Churchgate Street, Fort, Bombay.
273	„ Jugmohandas J. Kapadia	Mr. Jagmohandas J. Kapadia ..	Morarji Gokuldas Chawl No. 5, Sandhurst Road, Bombay.

No.	Representative	Member.	Address.
274	Mr. A. A. Jasdenvala ..	Messrs. Adamji Lookmanji & Co.	127, Fort Street, Fort, Bombay.
275	„ D. Cowasji ..	„ D. Cowasji & Co. Ltd.	20, Fort Street, Fort, Bombay.
276	„ H. B. Reporter. ..	„ Empress Iron & Brass Works.	Connaught Road, Parel, Bombay.
277	„ Fulchand Manekchand Shah	„ Virchand Panachand & Co.	Gaumukh Bhuvan, Masjid Bunder Road, Bombay.
278	„ Khimji Madan Bhujpuria.	The Bombay Grain Dealers' Association.	Bhat Bazar, Mandvi, Bombay.
279	„ Nagindas Tribhowandas Master.	Mr. Nagindas Tribhowandas Master.	94, Medows Street, Fort, Bombay.
280	Hon. Sir Hormusji M. Mehta	Messrs. H. M. Mehta & Co. Ltd.	Apollo Street, Fort, Bombay.
281	Mr. Jagjivan Ujamshi ..	Mr. Jagjivan Ujamshi. ..	Aga Khan Building, Dalal Street, Bombay
282	„ Hemchand Mohanlal ..	Messrs. Hemchand Mohanlal & Co.	Dhanji Street, Bombay.
283	*Mr. Erachshaw R. Heerjibehedin.*	*Mr. Erachshaw R. Heerjibehedin*	*Kaiser-Chambers, Elphinstone Circle, Fort, Bombay.*
284	„ Mangaldas B. Mehta ..	Messrs. Amarchand & Mangaldas	36, Tamarind Lane, Fort, Bombay.
285	„ N. G. Motwane ..	Eastern Electric & Engineering Co.	175, Hornby Road, Fort, Bombay.
286	„ Devji Tokersey Moolji ..	Mr. Devji Tokersey Moolji ..	Bhat Bazar, Mandvi, Bombay.
287	„ Valabhdas Tejpal ..	Mr. Valabhdas Tejpal ..	219, Vadgadi, Bombay.
288	„ Fakirjee Cowasji ..	Messrs. Cowasji & Sons. ..	Kimari, Karachi.
289	„ Choonilal Girdharlal ..	„ Choonilal Girdharlal & Co.	Rustom Building, Churchgate St., Fort, Bombay.
290	„ Ratilal Mulji Gandhi ..	The Seeds Traders' Association	Gaya Building, Musjid Bunder Road, Bombay.
291	Sir Chunilal V. Mehta ..	Sir Chunilal V. Mehta. ..	Neville House, Ballard Estate, Fort, Bombay.
292	Mr. Amritlal Popatbhai. ..	Messrs. Amritlal Popatbhai & Co.	Agakhan Building, Dalal St., Fort, Bombay.
293	„ Lalbhai Manilal Lalubhai Teli	Mr. Lalbhai Manilal Lalubhai Teli	C/o. Indian Cotton Oil Co., Ahmedabad.
294	„ Goolamhusein Ebrahim	Messrs. Abdoolally Ebrahim ..	121, Nagdevi Street, Bombay.
295	„ Ranchhoddas Jethabhai	„ Ranchhoddas Jeyram & Sons,	Dongri Street, Bhat Bazar, Bombay.

No.	Representative.	Member.	Address.
296	Mr. K. S. Ramchandra Iyer	The Indian Insurance Companies' Association.	Jehangir Wadia Building, Esplanade Road, Fort, Bombay.
297	„ D. H. Vakil ..	Messrs. Vakil & Co., ..	Kaisar-Gunj, Ajmer.
298	„ Morarji Padamsey ..	Mr. Morarji Padamsey ..	Ewart House, Tamarind Lane, Fort, Bombay.
299	„ Thakordas Nanabhai Merchant. ..	Mr. Thakordas Nanabhai Merchant. ..	Khakhar Building, C. P. Tank Road, Bombay.
300	„ Gopaldas Poonja ..	Messrs. Khimji Poonja & Co. ..	19-21 Dalal Street, Fort, Bombay.
301	Sir Cowasji Jehangir, Bart ..	Sir Cowasji Jehangir, Bart. ..	Readymoney Mansion, Churchgate Street, Fort, Bombay.
302	Mr. Dwarkadas Sunderdas ..	Messrs. Sunderdas Dwarkadas & Co.	42, Humum Street, Fort, Bombay.
303	„ Maneklal B. Patel ..	„ Shri Krishna Film Co.	162, Dadar Road, Bombay.
304	„ Amritlal D. Sheth ..	„ Saurashtra Ltd. ..	C/o States People Ltd. 139, Medows Street, Fort, Bombay.
305	„ Dhansukhlal C. Mehta ..	Messrs. Mehta Vakil & Co., ..	Wadia Building, Dalal St., Fort, Bombay.
306	Mr. Abdultyeb E. Muskati. ..	Mr. Abdultyeb E. Muskati ..	186-88, Nagdevi Street, Bombay.
307	„ Venkatnarayan Patruni	„ Venkatnarayan Patruni ..	Matunga, Plot No. 275, Bombay.
308	„ Cassumally Munjee ..	Messrs. Munjee Nathoobhoy & Co.	Munjee House, 18-20 Rampart Row, Fort, Bombay.
309	„ K. J. Divecha ..	„ Wright & Co., ..	Mint & Frere Road, Fort, Bombay.
310	„ Lalji Ravji ..	„ Ravji Nensee & Co., ..	Ganpat Nappoo Building, New Chinch Bunder Road, Bombay.
311	„ Shivjee Devjee ..	„ Devjee Khetsey & Co.,	New Chinch Bunder Road, Bombay.
312	„ Naranlal Jivanlal ..	The Ahmedabad New Standard Mills Co. Ltd.,	Post Railwaypura, Ahmedabad.
313	„ Mathuradas Canji Matani.	The Bombay Rice Merchants' Association.	Carnac Bunder, Bombay.
314	„ Shah Shamji Vallabhji ..	Mr. Shah Shamji Vallabhji ..	Mulji Jetha Market, Dharamraj Gally, Bombay.
315	„ J. A. D. Naoroji ..	The Tata Oil Mills Co., Ltd. ..	Bombay House, Bruce Street, Fort, Bombay.
316	„ Morarji Narottam ..	The Pralhad Mills Ltd. ..	Gresham Building, Esplanade Road, Fort, Bombay.
317	„ Phiroze C. Cooper ..	Messrs. Boyce & Co., ..	20, Fort Street, Fort, Bombay.
318	„ Hargovindas B. Kotak ..	„ Kotak & Co. ..	Navsari Building, Hornby Road, Fort Bombay.

No.	Representative.	Member.	Address.
319	Mr. Vanmalidas H. Pandya..	The Bombay Iron Merchants' Association.	Carnac Bunder, Bombay.
320	,, J. D. Kothawala ..	Messrs. Polson Mfg. Co. ..	217-219, Frere Road, Fort, Bombay.
321	,, Manekshah N. Pochkhanawalla.	,, Wadia Ghandy & Co., ..	123, Esplanade Road, Fort, Bombay.
322	,, Bhogilal C. Shah. ..	The Chamber of Incometax Consultants.	15, Jiji House, Ravelin Street, Fort, Bombay.
323	,, Jamnadas M. Mehta ..	The Indian National Steamship Owners' Association	Sudama House, Wittet Road, Ballard Estate, Fort, Bombay.
324	,, Dharamdas Samaldas Purbhoodas.	Mr. Dharamdas Samaldas Purbhoodas.	P. O. Box 536, Fort, Bombay.
325	,, Shamjee Premjee ..	Messrs. Ranchordas Purshotam & Co.	106, Khand Bazar, Bombay.
326	,, Nandlal M. Bhuta ..	,, M. Bhuta & Co. ..	88, Musjid Bunder Road, Mandvi, Bombay.
327	,, Nadirshaw Kawasjee ..	,, Nadirshaw, Printer & Co.	121, Esplanade Road, Fort, Bombay.
328	Sir Dossabhoy H. Bhiwandiwalla.	,, Hormasji Manekji, Dossabhoy Hormusji Bhiwandiwalla & Co.	583, Chira Bazar, Bombay.

329	Mr. Jehangir B. Manekji ..	The General Engineering Corporation, Ltd.	91, Apollo Street, Fort, Bombay.
330	,, C. G. Fozdar ..	The Asian Assurance Co., Ltd.	Asian Building, Ballard Estate, Fort, Bombay.
331	,, Ratilal Nathalal ..	Mr. Ratilal Nathalal ..	C/o Commercial Mills Co. Ltd., Ahmedabad
332	,, Sakarlal Balabhai ..	The Sarangpur Cotton Mfg., Co. Ltd.	Ahmedabad.
333	,, Motilal H. Parikh ..	Messrs. Lallubhai Amichand ..	554, Kansara Chawl, Bombay.
334	,, N. M. Sampat ..	,, S. Mitra & Co. ..	210, Kelewadi, Girgaum Road, Bombay.
335	,, Byramjee Hormusjee ..	,, Zenith Life Assurance Co. Ltd.,	Apollo Street, Fort, Bombay.
336	,, Motiram Narayan Desai..	,, Anant Shivaji Desai ..	Moti Bazar, Bombay.
337	,, L. K. Desai ..	National Insurance Co., Ltd. ..	National Insurance Building, Hornby Road, Fort, Bombay.
338	,, D. P. Tata ..	The Bombay Kariana Merchants' Association.	222-4, Vadgadi, Mandvi, Bombay.
339	,, Lallubhai Chunilal ..	The Indian Match Manufacturers' Association.	121, Nagdevi Street, Bombay.
340	,, Mathuradas Vissanji ..	The Wallace Flour Mills, Co., Ltd.	9, Wallace Street, Fort, Bombay.
341	,, Sitaldas Tirathdas ..	Messrs. Sitaldas Tirathdas ..	64, Multani's Wadi, Walkeshwar Road, Bombay.

No.	Representative.	Member.	Address.
342	Mr. Hassanally Shermahomed	Mr. Hasanally Shermahomed ..	39, Pydhonie Road, Khadak, Bombay.
343	,, Dharamdas Hargovandas	,, Dharamdas Hargovandas	Diamond Bldg., Lohar Chawl, Bombay
344	,, Bhogilal Hargovindas Patel.	Messrs. Das & Co. ..	59, Apollo St., Fort, Bombay.
345	,, Rahim Ebrahim ..	,, Ebrahim Currim & Sons.	Rahim Building, Princess Street, Bombay.
346	Dr. Kalimudin	The Bombay Soap Factory ..	Ripon Road Cross Lane, Madanpura Bombay. 8
347	Mr. A. G. Gray ..	The Bank of India, Ltd. ..	Fort, Bombay.
348	,, Nandvadan Jhaverilal Gor	Mr. Nandvadan Jhaverilal Gor.	York Building, Hornby Road, Fort, Bombay.
349	,, S. B. Dalal ..	Messrs. Birla Bros., Ltd. ..	Jehangir Wadia Building, Esplanade Road, Fort, Bombay.
350	,, N. J. Shah ..	The Bombay Mutual Life Assurance Society, Ltd.	278, Hornby Road, Fort, Bombay.
351	,, C, N, Moberly ..	The Bombay Electric Supply & Tramways Co., Ltd.	Electric House, Fort, Bombay.
352	Mr. Purshotamdas Popatlal..	Messrs. Purshotamdas Popatlal & Co.	37, Hamam Street, Fort, Bombay.
353	,, Jethmal Thakursingh ..	,, J. B. Advani & Co.,Ltd.	27, Mangaldas Road, Bombay.
354	,, H. Edwin-Jones ..	The Oriental Government Security Life Assurance Co., Ltd.	Oriental Building, Hornby Road, Fort, Bombay.
355	,, N. B. Mehta ..	The Central India Spg. Wg., & Mfg. Co., Ltd.	Bombay House, Bruce Street, Fort, Bombay.
356	,, H. N. Vakil ..	The Andhra Valley Power Supply Co., Ltd.	Do.
357	,, N. B. Davar ..	The Tata Power Co., Ltd. ..	Do.
358	,, V. C. Setalvad ..	Mr. V. C. Setalvad. ..	C/o The Industrial & Prudential Assurance Co., Ltd., Jehangir Wadia Building, Esplanade Road, Fort, Bombay.
359	,, Chiranjilal Loyalka ..	Messrs. R. B. Loyalka. ..	New Stock Exchange Bldg., Share Bazar, Fort, Bombay.
360	,, Ebrahim Dawood Kazi ..	Mr. Ebrahim Dawood Kazi ..	Pine Mansion Mazagaon, Bombay.
361	,, Dorab R. Davar ..	Messrs. Cornelius & Davar. ..	80, Esplanade Road, Fort, Bombay.
362	,, Chimanlal Manchubhai.	Mr. Chimanlal Manchubhai ..	183, Cadell Road, Mahim, Bombay.
363	,, Amritlal Hargovandas. ..	Messrs. Hargovandas Lakhmichand.	Manek Chowk, Ahmedabad.

No.	Representative.	Member.	Address.
364	Mr. Thakorlal Hiralal Vakil	The Bombay Coal Merchants' Association.	4, Green Street, Fort, Bombay.
365	,, Albert Smith ..	The British India General Insurance Co., Ltd.	35-43, Churchgate Street, Fort, Bombay.
366	,, Hassanali M. Khairaz. ..	Messrs. Ebram Peermahomed & Co.	142, Chuckla Street, Bombay.
367	,, Harivallabhdas Kalidas	,, Shri Ambica Mills, Ltd.	Post Railwaypura, Ahmedabad.
368	,, Narotam Vithal Purshotam	,, Vithal Purshotam & Son	Sandhurst Road, Bombay.
369	,, W. G. Groundwater ..	The Bank of Baroda, Ltd. ..	Baroda.
370	Mrs. Lilavati K. Munshi. ..	Swadeshi Market Committee. ..	Kalbadevi Road, Bombay.
371	Mr. Gunvantlal Varajdas Kapadia.	Mr. Gunvantlal Varajdas Kapadia.	C/o Dikshit Maneklal & Co., Solicitors, 23, Medows Street, Fort, Bombay.
372	,, B. S. Turkhad ..	The Prabhat Insurance Co., Ltd.	Ismail Building, Hornby Road, Fort, Bom.
373	,, Velji Kalidas ..	Messrs. Velji Kalidas & Co., ..	Khoja Mohalla Bombay.
374	Mr. Jagjiwandas Dosabhai ..	Messrs. Jagjiwandas Dosabhai & Co.	1, Shaikh Memon Street, Moti Raghunath Building, Bombay.
375	,, Durlabji Shah ..	,, Mithabhoy & Co. ..	Lalsingh Building, Shaikh Memon Street, Bombay.
376	,, Gulamally Samsudin ..	,, M. Gulamally Abdulhusein & Co.	Tamba Kanta, Bombay.
377	,, Fulchand Maganlal ..	The Ahmedabad Jupitar Spg. Wvg. & Mfg. Co., Ltd.	Dudheshwar Road, Ahmedabad.
378	,, H. S. Captain ..	The C. P. Cement Co., Ltd. ..	Yusuf Building, Esplanade Road, Fort, Bombay.
379	,, D. R. C. Hartlay ..	The Cement Marketing Co. of India, Ltd.	Forbes Building, Home St., Fort, Bombay.
380	,, Shivlal N. Maniar ..	Shri Mahajan Association Ltd.	Patwa Chawl, Shaikh Memon Street, Bombay.
381	,, Jaysinglal P. Mehta ..	Mr. Jaysinglal P. Mehta ..	C/o The Bombay Steam Navigation Co. Ltd., 100, Frere Road, Bombay.
382	,, Anandji Haridas ..	Messrs. Anandji Haridas & Co., Ltd.	Argyle Road, Carnac Bunder, Bombay.
383	,, Chamanlal Popatlal Mehta	,, C. Mehta & Co., ..	76-78, Nagdevi Street, Bombay.
384	,, Thakordas P. Shah ..	,, Thakordas & Co., ..	65, Esplanade Road, Bombay.
385	,, Rustom K. R. Cama ..	Mr. Rustam K. R. Cama ..	Yusuf Building, Esplanade Road, Fort, Bombay.
386	,, Narandas Ranchhordas Cantol	,, Narandas Ranchhordas Cantol.	C/o Chugondas & Co., 17, Elphinstone Circle, Fort, Bombay.

No.	Representative.	Member.	Address.
387	Mr. Damodar M. Gandhi. ..	Messrs. Gandhi & Co. ..	94, Medows Street, Fort, Bombay.
388	,, Mahomedbhoy I. M. Rowji.	Mr. Mahomedbhoy I. M. Rowjee	187, Samuel Street, Bombay.
389	,, Jayantilal Girdharlal Shah	,, Jayantilal Girdharlal Shah	Khadia, Raghasutaria Pole, Ahmedabad.
390	,, Madhukar Gulabshanker Bakshi	,, Madhukar Gulabshanker Bakshi.	C/o Sir Chinubhoy Madhavlal, Gandhi Road, Ahmedabad.
391	,, Krishnaprasad C. Desai	The Hukamchand Insurance Co. Ltd.	Jehangir Wadia Bldg., Esplanade Road, Fort, Bombay.
392	,, Mahomedjaffer S. Dharamsi.	Mr. Mahomedjaffer S. Dharamsi	Shale Building, Bank Street, Fort, Bom.
393	,, Mathuradas Dwarkadas	,, Mathuradas Dwarkadas ..	Ewart House, Tamarind Lane, Fort, Bom.
394	,, Ratansey Damji ..	The Gum Merchants' Association	179, Khoja Mohalla, Bombay.
395	,, Banarsidas Bhagwandas	Messrs. Ramchand Banarsidas	144, Kalbadevi Road, Bombay.
396	,, Madhavsinh Kanji ..	The Acme Mfg. Co., Ltd. ..	9, Wallace Street, Fort, Bombay.
397	,, Vithaldas Kanji ..	Messrs. Vissanji Khimji & Co.,	9, Wallace Street, Fort, Bombay.
398	Mr. Ishwarlal K. Desai ..	Messrs. Bhaishanker Kanga & Girdharlal	Albert Bldg., Hornby Road, Fort, Bom.
399	,, G. C. Kothari ..	,, Chimanlal Desai & Co.	Alice Building, Hornby Road, Fort, Bom.
400	,, Purshottam Meghji ..	,, Purshottam Bhanji & Co.	Old Bardan Gully, Isaji Street, Bombay.
401	,, Hariram Jethabhai ..	Mr. Hariram Jethabhai ..	16, Jetha Babu House, Chinchbunder Road, Bombay.
402	,, Virchand Meghji ..	,, Virchand Meghji ..	C/o Messrs. Gill & Co., Ballard Estate, Fort, Bombay.
403	,, Gordhandas T. Mangaldas	,, Gordhandas T. Mangaldas..	Sir Mangaldas House, Lamington Road, Bombay.
404	,, Nagindas D. Goradia ..	Messrs. Nagindas Lovji & Co...	2, Sutar Chawl, Bombay.
405	,, Hasanalli Abdulkarim ..	,, Abdul Karim Cassum Khatau	Above Islam Club, Chowpatty, Bombay.
406	,, Ranchhoddas Chunilal Shroff	,, Vithaldas Choonilal Jariwala	104-6, Bhuleshwar, Bombay.
407	,, Jethalal Dharsey	,, Jethalal & Co. ..	59, Marwari Bazar, Bombay.
408	,, Mahasukhrai G. Bhatt ..	,, Kora & Bhatt ..	22, Apollo Street, Fort, Bombay.
409	,, Chunilal Dahyabhai ..	,, Chunilal Dahyabhai & Co.	Princess Street, Bombay.

No.	Representative.	Member.	Address.
410	Mr. Bhaidas Nanalal ..	Mr. Bhaidas Nanalal ..	Bible House, Hornby Road, Fort, Bombay
411	,, Rustomjee Hormasjee Rao.	,, Rustomjee Hormasjee Rao	9, Wallace Street, Fort, Bombay.
412	,, Shariff Hasham ..	The Eastern Steam Navigation Co., Ltd.	24, Mangalore Street, Fort, Bombay.
413	,, Umakant Shrirang Desai	Mr. Umakant Shrirang Desai ..	Aga Khan Building, 26, Dalal Street, Fort, Bombay.
414	,, Chandrakant Mulshanker Trivedi	,, Chandrakant Mulshanker Trivedi.	Diamond House, Vatchagandy Road, Bombay.
415	,, G. M. Bhuta. ..	Messrs. Master Sathe & Bhuta...	41, Hamam Street, Fort, Bombay.
416	,, Maneklal Pranlal Shah ..	The Gold Filled Leather Works	Bhangwadi, Kalbadevi Road, Bombay.
417	,, G. I. Patel ..	Messrs. Gordhandas Desai & Co.	Kermani Building, Sir P.M. Road, Fort, Bombay.
418	,, N. B. Bhagat. ..	,, Bhagat & Sons. ..	Love Lane, Mazagaon, Bombay.
419	,, Mulraj Karsandas ..	The Indian Globe Insurance Co., Ltd.	28, Apollo Street, Fort, Bombay.
420	Mr. Kishan Prasad ..	Messrs. Kishan Prasad & Co., Ltd.	207, Seth Narayan Bansilal Bldg., Kalbadevi Road, Bombay.
421	,, Shaikh Abdulla S. Ahmed	,, Mohamed Valli Patel ..	148, Khand Bazar, Bombay.
422	,, Pallanji Pestonji ..	,, Muncherji Vadilal & Co.	Cotton Depot, Mazagaon, Bombay.
423	,, Shavakshaw Fakirji Dhalla.	,, Fakirji Rustomji & Son	Carnac Bridge Goods Station, Bombay.
424	,, Pratapray Manmohandas	,, Pratapray Amritlal & Co.	Ranchhoddas Tribhovandas Bldg., Marwari Bazar, Bombay.
425	,, Ramlal Manaktala ..	,, Shankerdas Ruplal ..	364, Kalbadevi, Bombay.
426	,, Ratanchand Kanshiram Mahendra.	,, Dhanpatmal Jawala Das	Hanuman Building, Pydhonie, Bombay.
427	,, Karsandas Kanji	Mr. Karsandas Kanji ..	133, Kazi Syed Street, Bombay.
428	,, Mathradas Haridas ..	Messrs. Damodar Anandji ..	66, Karwar Street, Fort, Bombay.
429	,, Hashambhai Premji ..	,, Hasham Premji ..	Rice, Godown, Carnac Bunder, Bombay.
430	,, Mohamed Umar Chandbhoy.	Mr. Mohamed Umar Chandbhoy	150, Nagdevi Street, Bombay.
431	,, Kaikhusru A. Dubash ..	Messrs. Ardeshir B. Cursetjee & Sons.	6, Rampart Row, Fort, Bombay.
432	,, Madhavji Hariram ..	,, Manilal Mulji Rangwalla	Vadgadi, Samuel Street, Bombay.

No.	Representative.	Member.	Address.
433	Mr. Shiavax C. Cambata. ..	The Hirdagarh Collieries, Ltd. ..	Cook's Building, 324, Hornby Road, Fort, Bombay.
434	„ Laxmidas Bhawanidas Vora.	Mr. Laxmidas Bhawanidas Vora	65, Old Hanuman Lane, Bombay.
435	„ Nathubhai N. Dandh. ..	Messrs. Shamji Karamsi & Co.,	27, Chinchbunder Road, Bombay.
436	„ Thackersey Hirji Nensey	„ Hirji Nensey & Co. ..	7-10, Elphinstone Circle Fort, Bombay.
437	„ B. D. Sardesai ..	The Hindustan Construction Co., Ltd.	Phoenix Bldg., Ballard Estate, Fort, Bom.
438	„ Ratanchand Khimchand Motishaw.	Messrs. R. K. Motishaw & Co. ..	Apollo Street, Motilal Mansions, Fort, Bombay.
439	„ T. G. Patel ..	The Indian Hume Pipe Co., Ltd.	Sholapur.
440	„ Lalchand Hirachand ..	Mr. Lalchand Hirachand ..	Post Ravalgaon, Dt. Nasik.
441	„ Thakorlal H. Vakil ..	Messrs. Vakil Brothers ..	43, Apollo Street, Fort, Bombay.
442	„ R. G. Saraiya. ..	The Broach City Press, Co., Ltd.	Navsari Chambers, Outram Rd, Fort, Bom.
443	Mr. Mahomed Suleman Mitha	Messrs. Mahomed Suleman & Co.	27, Kolsa Mohalla, Pydhonie, Bombay.
444	„ Abba Haji Mahomed ..	Mr. Abba Haji Mahomed ..	Corner Napeansea Road, Malabar Hill, Bombay.
445	„ Mahomedali Salehmahomed Maniar.	„ Mahomedali Salehmahomed Maniar.	New Kazi Mohalla, Bombay, 9.
446	„ Mohamed M. Killedar ..	Messrs. Moosa Haji Mohamed Killedar & Bros.	Killedar Street, Jacob Circle, Bom.
447	„ V. V. Pandit. ..	„ Pandit Bros. ..	14, Hamam Street, Fort, Bombay.
448	„ Narottam Keshavlal Shah	Mr. Narottam Keshavlal Shah.	C/o Messrs. Savailal Maneklal, 4th Lane Mangaldas Market, Bombay.
449	„ D. M. Soni ..	The Northland Sports Works ..	Sialkot (Punjab)
450	„ Ratilal T. Parekh ..	The Muccadam Association. ..	Wakefield House, Ballard Estate, Bombay
451	„ A. P. Patwardhan ..	Messrs. Annar & Co. ..	265, Tardev Road, Bombay.
452	„ F. C. Talwar ..	Mr. F. C. Talwar ..	244, Walkeshwar Road, Bombay.
453	„ Ramdas Khimji ..	Messrs. Ramdas Khimji & Sons	Tuticorin.
454	„ R. N. Adarbad ..	The Indian Society of Accountants & Auditors.	Albert Building, Hornby Road, Fort, Bom.
455	„ E. S. Patanwala ..	Mr. E. S. Patanwala ..	182-184, Abdulrehman Street, Bombay.

No.	Representative.	Member.	Address.
456	Mr. Ahmed Ebrahim ..	Messrs. Ahmed Ebrahim Brothers.	716-720, Merchant Street, Rangoon.
457	,, Dhunjishaw H. Joshi. ..	A. B. C. Motor Equipment Co...	17, Ravelin Street, Fort, Bombay.
458	,, S. C. Banerji. ..	Messrs. Marsland Price & Co., Ltd.	Phoenix Building, Ballard Estate, Fort, Bombay.
459	,, Chhotabhai S. Patel. ..	The Swastik Oil Mills Ltd. ..	27, Bastion Road, Fort, Bombay.
460	,, Mahadev M. Singhi ..	The Cotton Agents, Ltd. ..	51, Esplanade Road, Fort, Bombay.
461	,, Amratlal Kalidas ..	Mr. Amratlal Kalidas. ..	Stock Exchange New Bldg., Dalal St., Fort, Bombay.
462	,, Harilal Narottam Contractor. ..	Messrs. Ranchhodji Ramji & Co.	Chikalwadi, Bombay.
463	,, Mahomadalli Habib ..	The Bombay Cotton Merchants & Muccadums Association. Ltd	Cotton Exchange, Sewree, Bombay.
464	,, Jamnadas Meghji ..	Messrs. Jamnadas Meghji & Co.	166-170, Bible Society Bldgs., Hornby Road, Fort, Bombay.
465	,, Hirji Lakhmidas ..	Mr. Hirji Lakhmidas ..	C/o Virji Peraj Maskai, Maskai Bldg., 106, Bhandari Street, Bombay.
466	,, Valjee Ladha ..	Messrs. Valjee Ladha & Co. ..	Dongri Street, Mandvi, Bombay.
467	Mr. Premchand C. Bhayani...	Messrs. Jamnadas Chaturbhuj & Bros.	55, Nagdevi Cross Lane, Bombay.
468	,, Ramji Ravji ..	,, Narsi Nagsee & Co. ..	3, Chinch Bunder, Bombay
469	,, Mancherji N. Cama ..	Mr. Mancherji Nasarvanji Cama	Cama Chambers, Medows Street, Fort, Bombay.
470	,, Ram Nath Chopra ..	The Lakshmi Insurance Co. Ltd.	Kamer Bldg., Cowasji Patel Street, Bom.
471	,, D. J. Irani ..	Messrs. Mulla & Mulla. ..	51, Esplanade Road, Fort, Bombay.
472	Rai Bahadur Jagmal Raja	Rai Bahadur Jagmal Raja ..	C/o Indian Globe Insurance Co., Ltd. 28, Apollo Street, Fort, Bombay.
473	Mr. Chimanlal Bapalal Parikh	The Bombay Uganda Co., Ltd.	28, Apollo Street, Fort. Bombay.
474	,, Chandulal P. Parikh ..	Messrs. C. Parakh & Co., ..	28, Apollo Street, Fort, Bombay.
475	,, Vishram Walji ..	,, Walji Bhimji & Sons. ..	Dharampur Road, Bulsar.
476	,, Babaldas Nagindas ..	The Ghee Merchants' Association	Mudi Bazar, Bombay
477	,, M. R. A. Baig. ..	The Eastern Federal Union Insurance Co. Ltd.	Phoenix Bldg., Ballard Estate, Fort, Bom
478	,, Vallabhdas Vasanji ..	The Bombay Malabar Kariana Merchants' Association.	Katha Bazar, Bombay
479	,, Bhulabhai J. Desai ..	Mr. Bhulabhai J. Desai ..	89, Warden Road, Bombay

No.	Representative.	Member.	Address.
480	Mr. Velji N. Thakkar ..	Mr. Velji N. Thakkar. ..	77, Mirchi Street, Bombay
481	„ Maganlal Bhikhabai Patel	The New Rajpur Mills Co., Ltd.	Gomtipur Road, Railwaypura, Ahmedabad
482	„ Nanalal Keshavji Khitani	Messrs. B. Durlabhji & Co. ..	26/28, Dahanukar Bldg., Kalbadevi Road, Bombay.
483	„ Chimanlal Bhogilal Desai	The Sagar Movi-Tone Co., ..	Hashmat Mahal, Chaupatty, Bombay.
484	„ Navalchand Tarachand Shah	Mr. Navalchand Tarachand Shah	51, Esplanade Road, Fort, Bombay.
485	„ Madanlal Paliram ..	Messrs. Brijlal Madanlal ..	C/o Messrs. Harnandrai Ramnarayan, Kalbadevi Road, Bombay.
486	„ Chhotalal Bhagwandas.	„ Chhotalal Manshukhlal & Co.	56-66 Musjid Bunder Road, Bombay.
487	„ Mansukhlal Manilal Mehta	Royal Hardware Mart. ..	108, Nagdevi Street, Bombay.
488	„ Keshavlal Jadavjee Mehta	Messrs. A. Keshavlal & Co., ..	93, Nagdevi Street, Bombay
489	„ Bhuralal Nanchand Gandhi.	„ Pratap & Brothers. ..	233, Shaikh Memon St., Bombay.
490	„ Nagardas D. Parekh ..	American Oil Products Co., ..	96-98, Nagdevi Street, Bombay
491	Mr. Fulchandbhai Kakalbhai	Messrs. Dwarkadas Bhanji Panachand.	313, Shaikh Memon St., Bombay.
492	„ Shantilal Vadilal ..	„ Shantilal Vadilal & Co.,	Revdi Bazar Cross Lane, Ahmedabad.
493	„ Mansukhlal Sukhlal Tarwala.	Mr. Mansukhlal Sukhlal Tarwala.	48, Marwari Bazar, Bombay.
494	„ Kalidas Jasraj ..	Messrs. Kalidas Jasraj ..	Marwari Bazar, Bombay.
495	„ Haji Aboobaker Joosab	Mr. Haji Aboobaker Joosab. ..	Bullion Exchange Hall, Shaikh Memon Street, Bombay.
496	„ Chhotalal Virchand Mehta	Mr. Chhotalal Virchand Mehta	Mahendra Mansions, Esplanade Road, Fort, Bombay.
497	„ M. C. Modi ..	Messrs. M. C. Modi & Co. ..	23, Medows Street, Fort, Bombay.
498	„ Lalji Morarji ..	„ Bhawanji Lakhmidas & Co.	72-80, Musjid Bunder Road, Bombay.
499	„ Amulakh Amichand ..	„ Amulakh Amichand & Co.	32, Marwari Bazar, Bombay.
500	„ Nanji Kalidas ..	„ Shamji Kalidas & Co. ..	12, Champa Galli Mulji Jetha Bldg. Bombay.
501	„ A. K. Kanji ..	„ Kalidas Kanji ..	95, Cathedral Street, Bhuleshwar, Bombay.
502	„ Gajanand Gumaniram ..	„ Gulraj Runglal. ..	50-52, Marwari Bazar, Bombay.
503	„ Chandulal Kasturchand.	„ Jagjivandas Kasturchand.	Marwari Bazar, Bombay.

No.	Representative.	Member.	Address.
504	Mr. Chunilal Raichand Mehta.	The General Trading Co. ..	Laheri Building, Sandhurst Road, Bombay.
505	,, Ratilal Hargovinddas Modi.	The Pratap Industrial Works. ..	Gaiwadi, Girgaum, Bombay.
506	,, Thakorlal Chhotalal Chokshi.	Messrs. P. N. Manilal & Co., ..	514, Khetwadi, Sandhurst Road, Bombay.
507	,, Dulabdas Motichand ..	,, Tarachand Shamji ..	45, Nagdevi Street, Bombay.
508	,, Kunverji Jethalal Modi	Mr. Kunverji Jethalal Modi. ..	132, New Charni Road, Bombay.
509	,, H. D. Modi. ..	Harvan Motor House. ..	Kapole Nivas, Sandhurst Road, Bombay.
510	,, Shyamdas Govindji. ..	Messrs. Jhaveri Brothers & Co.	345-49, Abdulrehman Street, Bombay.
511	,, Keshavlal Premchand. ..	,, Chimanlal Premchand. ..	Piperdi's Pole in Hajapatel's Pole, Ahmedabad.
512	,, Chandulal Laxmichand Khokhani ..	,, Chandulal L.Khokhani & Co.	167/69 Shaikh Memon Street, Bombay.
513	,, Mangulal Trikamlal Parikh.	,, Bapulal Trikamlal Parikh	Ganeshwadi, Bombay.
514	Mr. Harishanker Valji Pathak	Messrs. H. Pathak & Co., ..	Nanabhai Lane, Fort, Bombay.
515	,, Hirji Bharmal ..	Mr. Hirji Bharmal ..	27, Chinch Bunder, Bombay.
516	,, Bhanji Devji Khimji ..	The Arjan Khimji Ginning & Pressing Co., Ltd.	4, Outram Road, Fort, Bombay.
517	,, Moolji Dayal ..	Shri Sajjan Mills, Ltd. ..	28, Apollo Street, Fort, Bombay.
518	,, Jamnadas G. Nensey ..	Messrs. K. Jivraj & Co., ..	C/o Vulcan Insurance Co., Ltd., 51, Esplanade Road, Fort, Bombay.
519	,, Kashibhai U. Patel ..	Kopran Chemical Co., Ltd. ..	83/85, Tardeo Road, Bombay.
520	,, Vanmali Vithal Nansi ..	Messrs. Nansi Iron & Steel Works	223, Thakurdwar Road, Bombay.
521	,, Jethabhai J. Kotak. ..	,, Purshotamdas Madhavani & Co.,	8, Elphinstone Circle, Fort, Bombay.
522	,, Murarji Jadavji Vaidya	,, Hansraj Sons. ..	Bombay Silk Mills, Colaba, Bombay.
523	,, Ratilal T. Thakkar ..	,, Ratilal & Co., ..	2, Marwari Bazar, Bombay.
524	,, Durlabhji Umedchand Perikh	,, Durlabhji Umedchand & Co.,	63, Shaikh Memon Street, Bombay.
525	,, Govindji Jevat ..	,, Virji Ladha & Co. ..	19, Chinchbunder, Bombay.

No.	Representative.	Member.	Address.
526	Mr. Mohanlal A. Parikh ..	Messrs. Mohanlal Hargovinddas & Co.,	51, Dadyshet Agyary Street, Bombay.
527	,, E. S. Marker ..	,, Marker Goldsteane & Co.	Ismail Bldg., 381, Hornby Road, Fort, Bombay.
528	,, D. C. Nazir ..	,, D. C. Nazir & Co., ..	21, Elphinstone Circle, Fort, Bombay.
529	,, R. Hashmatrai ..	,, R. Hasmatrai & Co., ..	Ommrigar Bldg., 4th Floor, near Crawford Market, Bombay.
530	,, Nanji Vallabhdas Dossa	Mr. Nanji Vallabhdas Dossa. ..	22, Apollo St., Fort, Bombay.
531	,, Chimanlal Ranchhodlal Parikh.	Mr. Chimanlal Ranchhodlal Parikh.	C/o C. Parikh & Co., 17, Nanji Bldg., Elphinstone Circle, Fort, Bombay.
532	,, Padmakant Jekisondas Shroff	Mr. Padmakant Jekisondas Shroff.	43, Apollo Street, Fort, Bombay.
533	,, Kalyanji Mavji ..	Mr. Kalyanji Mavji. ..	55, Apollo St., Fort, Bombay.
534	,, Vrijbhukhandas Hargovandas	Messrs. Hargovandas Moolji & Co.	40/42, Mint Road, Fort, Bombay.
535	,, Vrajlal Maganlal ..	,, Harishanker Vrajlal & Co.	Kansara Chawl, Bombay.
536	Mr. Pranjivandas Narottamdas	Messrs. Narottamdas Premchand & Sons.	Bhawani Peth, Poona City.
537	,, Chimanlal M. Shah. ..	,, Aryan Brush Co.,	Naigam Cross Road, Dadar, Bombay.
538	,, Ratansi Mulji ..	Mr. Ratansi Mulji ..	C/o Cooverji Umarsi & Co., Kharekh Bazar, Bombay.
539	,, Chhaganlal V. Yogi. ..	Messrs. Yogesh Printery. ..	80, Tamarind Lane, Fort, Bombay.
540	,, Kaliandas Jagmohandas.	Messrs. Kaliandas Jagmohandas & Sons.	Corner, 1 Ash Lane and Medows Street, Fort, Bombay.
541	,, R. Jitendralal. ..	,, R. Jitendra & Co., ..	1 Ash Lane, Fort, Fombay.
542	,, G. N. Joshi. ..	Mr. Gulabbhai Naranji Joshi. ..	Jariwala Mansion, Hughes Road, Bombay.
543	,, K. B. Mehta. ..	,, Kantilal Balabhai Mehta.	100, Frere Road, Fort, Bombay.
544	,, K. C. Desai. ..	,, Keshavprasad Chhotalal Desai.	Industrial & Prudential Assurance Co., Ltd., 51, Esplanade Road, Fort, Bombay
545	,, Valabhdas Gordhundas.	,, Valabhdas Gordhundas. ..	29-31-33, Bora Bazar Street, Fort, Bom.
546	,, Gordhundas Thakersee.	Messrs. Gordhundas Thakersee & Sons.	29-31-33, Bora Bazar Street, Fort, Bombay.
547	,, Kalianji C. Bhatia. ..	,, Kalianji & Co., ..	29-31-33, Bora Bazar Street, Fort, Bom.

No.	Representative.	Member.	Address.
548	Mr. Dinsha D. Shroff. ..	Mr. Dinsha D. Shroff. ...	Patel Mansion, Gowalia tank Road., Bombay.
549	,, Jethalal D. Dave Vaidya	,, Jethalal D. Dave Vaidya ..	Dave Chemical Works, Ahmedabad.
550	,, Goculdas M. Kapadia ..	Messrs B. Goculdas & Co. ..	187, Princess St., Bombay.
551	,, Mayabhai M. Teli ..	The Indian Cotton Oil Mill ..	Navsari.
552	,, Chandulal Sarabhai Modi.	Messrs Sarabhai & Co. ..	Elphinstone Circle, Fort. Bombay.
553	,, Bhikhabhai Laxmidas ..	The Bombay Oil Merchants' Association. ..	C/o Mulji Jaitha & Co., Katha Bazar, Bombay.
554	,, Ambalal Bhogilal Parikh	The Metal Exchange Association.	Natvar House, Tamba Kanta, Bombay.
555	,, P. Runchhoddas ..	Sunderdas Saw Mills ..	Opp. Reay Road Station, Bombay 10.
556	,, Bhagwandas M. Amin ..	Messrs Bhupen Bhagwandas & Co.	Reid Road, Railwaypura, Ahmedabad.
557	,, Jivanlal Chimanlal Chinai.	,, Nagindas Fulchand Chinai	Chinai Bldg., 79, Musjid Bunder Road, Bombay.
558	,, Ahmad Oomerbhoy ..	Mr. Ahmad Oomerbhoy ..	Two Tanks, Grant Road, Bombay.
559	Mr. Devji Anandji ..	Messrs Devji Kuverji & Co. ..	Moti Bldg., Katha Bazar, Bombay.
560	,, V. H. Hazarat ..	,, Hazarat & Co. ..	106, Cowasji Patel Street, Fort, Bombay.
561	,, Ravjibhai Nathabhai Amin.	Indo-Stationery Mart ..	Red Bldg., Parsi Bazar St., Fort, Bombay.
562	,, Crescencio Lobo ..	Mr. Crescencio Lobo ..	Marine View, Marine Lines, Bombay.
563	,, S. K. Khandwala ..	Messrs Manilal Mohanlal Parikh	C/o Ramchandra & Co., Kapadia Bazar, Ahmedabad.
564	,, Dwarkadas Haridas Vakharia	Messrs Popatallal Ghellabhai & Co.	104, Chakla Street Bombay 3.
565	,, Lakhamsi Ghelabhai Shah.	,, Lalji Poonsi & Co. ..	3, Chinch Bunder Road, Bombay.
566	,, Jadavji Narshidas ..	,, Narshidas Jagjivandas ..	Danapith, Bhavnagar.

RULES AND REGULATIONS OF THE INDIAN MERCHANTS' CHAMBER

(As amended upto 28th April 1934.)

Name. 1. The Association shall be styled, "The Indian Merchants' Chamber."

Office. 2. The Office of the Chamber will be situate in Bombay.

Objects. 3. The objects for which the Chamber is established are :—

(*a*) To encourage friendly feeling and unanimity among business community on all subjects connected with the common good of Indian merchants.

(*b*) To secure organised action on all subjects relating to the interests of the Indian business community directly and indirectly.

(*c*) To promote the objects of the Indian business community in matters of inland and foreign trade shipping and transport, industry and manufacture, banking and insurance.

(*d*) To collect and disseminate statistical and other information securing the promotion of the objects of the Chamber, and to make efforts for the spread of commercial and economic knowledge.

(*e*) To take all steps which may be necessary for promoting, supporting or opposing legislation or other action affecting the aforesaid interest by the Government or any Department thereof or by any local body or bodies and in general to take the initiative to secure the welfare of the business community in all respects.

(*f*) To make representations to Local, Central or Imperial authorities, Executive or Legislative, on any matter affecting trade, commerce, manufacture or shipping, banking or insurance.

(*g*) To undertake by arbitration the settlement of commercial disputes between merchants and businessmen and also to provide for arbitration in respect of disputes arising in the course of trade, industry or transport, and to secure the services of expert technical and other men to that end if necessary or desirable.

(*h*) To advance and promote commercial and technical education and to found and support establishments and institutions for such purposes.

(*i*) To undertake special enquiries and action for securing redress for legitimate grievances of any branch of trade or industry as also all such other action as may be conducive to the extension of trade, commerce or manufacture or incidental to the attainment of the above objects.

(*j*) To secure the interests and well-being of the Indian business communities abroad.

(*k*) (i) To secure, wherever possible, organised and/or concerted action on all subjects involving conditions of employment of industrial labour in various industries represented by the members of the Organisation.

(ii) To nominate delegates and advisers, etc. to represent the employers of India at the Annual International Labour Conferences of the League of Nations.

(iii) To take up, consider and formulate ideas on the subjects which are on the Agenda of each International Labour Conference.

(iv) To take all steps which may be necessary for promoting, supporting or opposing recommendations or conventions of the International Labour Conference.

(*l*) And generally to do all that may be necessary in the interests of the realisation of the above objects of the Chamber directly or indirectly.

4. There shall be three classes of members :—

Members. (1) Ordinary (2) Patrons and (3) Honorary.

(1) There will be three classes of Ordinary members:—

(*a*)—Residents of Bombay and its suburbs who will have to pay Rs. 75 as annual subscription; but Joint-Stock Companies will have to pay Rs. 100 per year.

(*b*)—Mofussil members who will have to pay Rs. 25 as annual subscription.

(*c*)—Associations which will have to pay Rs. 125 as annual subscription.

Admission Fee. All the ordinary members and patrons will have to pay Rs. 50 as admission fee which will be credited to a capital fund of the Chamber and shall not be expended on revenue account except with the consent of the General Body.

(2) *Patrons :* Indian firms or individual Indian merchants can join as Patrons. Firms will have to pay Rs. 5,000 and individuals Rs. 2,500 as donation, the proceeds of which will be credited to a capital fund which shall not be expended on revenue account but the interest whereof shall be taken to revenue account.

(3) *Honorary Members :* Gentlemen distinguished for public services or eminent in commerce and manufactures or otherwise interested in the aims

and objects of the Chamber may be elected as Honorary Members by a General Meeting of the Chamber by two-thirds of the majority of members present at the meeting on the recommendation of the Committee and as such shall be exempted from paying subscriptions. They shall not be entitled to vote at any meeting of the Chamber nor shall they be eligible to serve on the Committee.

Eligibility for membership of the Chamber.

5. Any Indian gentleman, firm or association engaged in mercantile pursuits or interested in trade and commerce desirous of joining the Chamber shall be eligible for membership.

Election of members.

6. (*a*) The applicant, whether an individual or a firm or an association, shall sign the admission form giving details of one's business and send it to the Secretary with signatures of the proposer and the seconder, who must be members of the Chamber. This application shall be submitted to the committee who will fix the dates for the election by ballot, and appoint a scrutineer. At least seven days notice shall be given to all the members, stating dates for voting and the names of candidates with their proposers and seconders. Votes shall be received during the said seven days from 11 a.m. to 4 p.m. (B.T.)

(*b*) On the seventh day the ballot-box shall be opened at 4 p.m. (B.T.) by a scrutineer and the Secretary who will jointly declare the result of the voting.

(*c*) At least one tenth of the members of the Chamber must register their votes to make the ballot valid.

(*d*) In all voting for election to membership the presence in the ballot-box of black balls in the proportion of one in six shall exclude. Twelve negative votes shall be deemed to exclude.

7. A member wishing to resign shall give written notice to the Secretary not less than one calendar month before the completion of his annual period; otherwise he will be liable for the subscription for the next year.

Resignation.

8. A member shall be deemed to be disqualified if:—

Disqualification of members.

(*a*) he becomes an insolvent.

(*b*) he fails to discharge his subscription for a period extending over twelve months,

9. A member of the Chamber shall be entitled:—

Privileges of members

(*a*) To obtain gratis publications of the Chamber.

(*b*) To the free use of the Chamber's library.

(*c*) To vote at all meetings of the Chamber or on any matter referred to the General Body of members by circular.

(*d*) To be elected as an office-bearer of the Chamber.

10. There shall be held a general meeting of members, which shall be called the Annual Ordinary General Meeting within a month of the 31st December when the official year of the Chamber closes (provided that the Committee can extend the period upto a fortnight by a special resolution), to transact the following business:—

Meetings of members.

(*a*) To receive the Annual Report of the retiring Committee and the audited statement of accounts of the Chamber.

(*b*) To record the declaration of the result of election of office bearers for the ensuing year.

(*c*) To elect an auditor for the ensuing year.

(*d*) To transact such other business of which notice may have been given by a member five clear days before the date fixed for the Ordinary

General Meeting, and of which the Secretary will have given notice to the general body of members by post or otherwise two days before the date of the meeting.

There shall be held during the course of the year in addition to the Annual Ordinary General Meeting three other ordinary meetings when a resume of the work done during the previous quarter will be supplied to members.

A Special General Meeting of members may also be called whenever the Committee think fit; and the Committee shall also call a Special General Meeting on the requisition in writing of at least 10 members of the Chamber stating the object of the meeting.

At least three days' clear notice shall be given to members specifying the day, place, hour and objects of the meeting even when the Special General Meeting is convened by the Committee.

Then days' clear notice of all other General Meetings, whether ordinary or special, shall be given to members specifying the day, place, hour and object of the meeting. Such General Meetings will also transact such other business of which notice has been given by a member five clear days before the date fixed for the meeting and of which the Secretary has given notice either by post or otherwise to the General body of members two days before the date of the meeting.

Quorum.

11. 15 Members shall be deemed a quorum for a General Meeting whether Ordinary or Special. No business can be transacted at any General Meeting, whether Ordinary or Special, if within 30 minutes of the hour specified for the meeting no quorum is formed. In that case the meeting shall stand adjourned to such date, hour and place as the members present at the meeting may fix.

Adjourned meeting.

12. An adjourned meeting can transact the business for which it is called without the necessary quorum.

Chairman.

13. The Chairman of the Committee shall preside at every General Meeting or the Vice-Chairman in his absence. In the case of the absence of the Chairman as well as the Vice-Chairman, the members present may vote one from among themselves to take the Chair.

Voting at meeting.

14. Every resolution submitted to the meeting shall be decided by a show of hands. In the case of equality of votes the Chairman shall have a casting vote in addition to his own vote. Each member has the right to speak and vote on any subject which may be submitted for consideration at any General Meeting, provided that a firm or association having more than one member shall have one vote only though its several members may be present at the meeting and take part therein.

Managing Committee

15. At every Annual Ordinary General Meeting there shall be elected a Committee to carry out the objects of the Chamber, consisting of the Chairman, the Vice Chairman, and 23 members.

Vacancy on the Committee.

16. The Committee shall fill up any vacancy of an ordinary member thereof occurring during the year.

Non-attendance of a member of the Committee without the previous permission of the Committee at meetings of the Committee for three months consecutively will be considered a disqualification for his membership of the Committee and his office shall be considered vacant for the purposes of this rule.

The Secretary will send a reminder to a member of this rule if he has absented himself for two months without the required permission.

Vacancy in the office of the Chairman or the Vice-Chairman.

17. Any vacancy during the year in the Office of the Chairman or the Vice-Chairman created by resignation or by his going out of India for more than one month shall be filled up by election in accordance with Rule No. 26.

If the Vice-Chairman goes on leave in India for more than one month, the Committee shall appoint a substitute during his absence from among its own members.

Retirement of the Committee

18. The Committee shall retire at the end of its term of office but shall continue in office till its successor is appointed.

Rules of the Committee.

19. The Committee shall frame its own rules for the purpose of regulating its proceedings which may be amended or altered or revised as it may deem expedient.

Secretary.

20. The Committee shall have the power to appoint a Secretary on such remuneration as it may deem proper and prescribe his duties and functions.

Account of the Chamber

21. The Committee shall cause accounts of the Chamber to be kept and all receipts and funds shall be paid into such bank or banks as may be selected by it. Such accounts shall be regularly audited at the close of the year, and adopted at the Ordinary Annual General Meeting.

Meeting of the Committee

22. The Committee shall meet at least once a month to dispose of all communications and references and consider all matters which may be on the agenda.

Minute Book.

23. The Committee shall cause to be kept a book in which the minutes of the proceedings shall be regularly recorded.

If a member of the Chamber wishes to see this minute book he can do so after giving at least 24 hours notice to the Secretary of the Chamber.

Sub-Committee.

24. After the commencement of a new official year, representatives of principal trades who are members of the Chamber shall be asked by the Committee to elect Sub-Committee of five members from amongst themselves. All questions relating to these trades coming before the Committee during

the course of the year shall be first referred to such Sub-committee whose suggestions shall then be placed before the Committee. Such Sub-Committees shall be formed only for those trades which have at least ten representatives as members of the Chamber. The work of electing Sub-committee shall ordinarily be done by the representatives themselves but they can have the assistance of the Secretary of the Chamber if they require it.

The Committee shall at their discretion appoint a Sub-Committee from among their members to consider and report upon such special matters as they may deem expedient and they shall also have the power to invite at their meeting persons other than members of the Chamber and the Committee to consult them or take their advice on such matters as may be deemed necessary.

Register of Members

25. The Secretary shall state in the Register of members of the Chamber names of individual members and of gentlemen who may be representing, for the time being, any members of the Chamber, whether associations, firms or corporations. All changes in the names of representatives, addresses, etc., shall have to be notified to the Secretary on or before the 31st December for purposes of election of the Committee. A list prepared on the basis of this Register will be called the Electoral Roll of the Chamber and shall be deemed as such not only for purposes of the election of the Committee but also for purposes of elections of representatives of the Chamber on various public bodies. For purposes of election of the Committee, only those whose names are thus registered on or before 31st December shall be entitled to vote; while for purposes of other elections the Secretary shall ask for any changes in the names of representatives, addresses, etc. as provided in the rules relating to those elections, and all such changes or additions or alterations or deletions will be notified to the members within the time specified in the rules for those elections. The elected gentlemen will be considered to be personally elected as representing particular members, and on their places falling vacant through any reason a fresh elec-

tion will be made according to the rules in force for the time being.

Any member of a firm or its representative, being on that account a member of the Chamber, on his severing the partnership or connection with the firm will no longer be a member of the Chamber.

This rule will not affect Rule 14.

This Register shall contain details regarding business of all members and shall also record the classified list of members according to different trades.

Election of Committee

26. A list of members of the Chamber together with a list showing the attendance of members of the Committee at their meetings during the year shall be circulated by the Secretary amongst all the members before the 15th of January. Within a week of the receipt thereof nominations for Presidentship, Vice-Presidentship and membership of the Committee duly proposed, seconded and signed by the nominees shall be sent to the Secretary. The Committee shall, before the Annual General Meeting, fix a day which shall be prior to that Meeting, for the election of the members of the Committee and of the President and Vice-President. The Secretary shall prepare and publish a list of nominations received by him, and shall circulate the same amongst the members of the Chamber along with the intimation of the date fixed for the election of the Committee, at least three clear days before the date of election.

The retiring Committee shall appoint two Scrutineers, who must be members of the Chamber but shall not be candidates for election.

On the day of the election the ballot box will remain open from 10 a.m. (S.T.) to 6 p.m. (S.T.) in the office of the Chamber. The voting papers shall be supplied to the members in the office of the Chamber who shall fill these up and place them in the ballot box. The President and the Vice-President shall be elected from among the nominations received for the Presidentship and Vice-Presidentship respec-

tively, and 23 members shall be elected from among the nominations received for membership of the Committee. Votes recorded for a candidate for Presidentship or Vice-Presidentship will be *ipso facto* recorded for his election as a member of the Committee. The President and Vice-President shall be ex-officio members of the Committee. The counterfoils of these voting papers shall be signed by members and shall remain with the Secretary or an officer of the Chamber appointed by him. The Scrutineers shall seal the ballot box as also the packet containing the signed counterfoils of voting papers at 6 p.m. (S.T.) on the day of the election and with the Secretary will open the ballot box on the day following the day of election and declare the result by putting up the same on the Notice Board of the Chamber over the Secretary's signature.

This procedure will not apply in the case of the mofussil members, that is to say, members paying Rs. 25/- as annual subscription and registered as such in the Official Register of the Chamber.

Voting papers shall be sent by Post to the mofussil members seven clear days before the date of election. The voting will be carried on in the following manner :

> Big and small printed envelopes addressed to the Secretary of the Chamber will be sent to the mofussil members with voting papers. Members will enclose their voting papers in the small envelope and then enclose both this envelope and a letter duly signed stating that the voting paper is sent by them in the big envelope and send this to the Secretary who shall open it, placing the letter with the signature in one box and the small envelope containing the voting paper, which shall be unsigned, in the ballot box. This ballot box shall be opened by the Scrutineers with the Secretary along with the ballot box for the local members on the day of scrutiny, and all the voting papers will be scrutinised together.

Those who have obtained the highest number of votes shall be deemed to be duly elected. But in the event of

refusal to serve on the part of any one or more of them, the member or members who has or have obtained the next highest number of votes shall be considered to be elected in his or their place. The new Committee shall take office on the first day succeeding the holding of the Ordinary Annual General Meeting and they shall so continue to act until the holding of the next Ordinary Annual General Meeting. A member or members of the Chamber representing it in the Indian Legislative Assembly, the Bombay Legislative Council, the Bombay Port Trust, the Bombay Municipality, and the like public bodies will be ex-officio members of the Committee if they are not already members of the same. Such ex-officio members shall not however be precluded from contesting the general election.

(*a*) The new Committee shall co-opt, out of the General body of members, 40 (forty) per cent. of the Association Members.

(*Note*—For the purpose of calculation under this rule, fractions will be ignored).

(*b*) The new Committee shall further co-opt three ordinary members, who in their opinion will prove useful to them for consultation.

Such co-opted members will be elected by the Committee at their first meeting by ballot from among the members proposed at the meeting by members of the Committee.

Equality of votes

27. In the case of equality of votes recorded for the election of the Chairman or Vice-Chairman or both, the Committee will invite a second ballot as to who shall be elected. In the case of equality of votes recorded for members of the Committee lots will be drawn and the election be declared in favour of the members who draws the lot.

Visitors

28. Any person resident out of Bombay, engaged or interested in mercantile pursuits, visiting Bombay may be introduced as a visitor by any member of the Chamber who has previously obtained

permission of the Chairman or in his absence the Vice-Chairman, through the Secretary, provided that a residence beyond one month shall subject such visitors to the rules for the admission of members.

Funds of the Chamber

29. All moneys or funds of the Chamber shall be primarily paid into the hands of the Secretary who shall pay the same into an account to be opened with any bank that may be approved by the Committee in the name of the Chamber. All cheques on that account shall be signed by the Chairman or in his absence by the Vice-Chairman for the time being and a member of the Committee. In the absence of both the Chairman and the Vice-Chairman cheques shall be signed by two members of the Committee.

All cheques shall be countersigned by the Secretary.

Expulsion of members

30. The Chamber reserves to itself the right of expelling any member in case he does any act or pursues any conduct that is either in contravention of the rules of the Chamber or detrimental to its credit or is in any way injurious to its welfare and interest or by any other good and sufficient reason it is thought desirable to remove him from his membership of the Chamber. But action on that behalf shall only be taken on the resolution of a General Meeting whereat four-fifths of members present have voted in favour of the proposal.

Alteration in Rules and Regulations

31. The foregoing rules and regulations shall be copied in a book to be kept with the records of the Chamber. Printed copies of the same shall be forwarded to all the members and no alteration or addition shall be made therein or thereto save and except by a majority of three-fourth of the members of the Chamber present at a General Meeting convened by a notice issued at least 7 clear days before the holding of such a meeting and in which all the terms of proposed alterations or additions shall have been clearly set forth.

Rules of the Court of Arbitration of the Chamber

As it is desirable that there should be a tribunal for the speedy disposal of disputes and differences arising between merchants, the Indian Merchants' Chamber has adopted the following Scheme :—

1. There shall be a court of Arbitration working under the supervision and guidance of the Chamber.

2. The Council of the Chamber shall prepare a list of not less than 60 persons who having consented to do so shall form the Court of Arbitration. Whenever called upon a member or members shall solely or jointly constitute a tribunal for the disposal of a case referred to him or them.

3. There shall be a Committee of five members elected by the Court from among themselves who shall regulate the appointment of arbitrators by the parties for the tribunal, preparing and revising procedure and preparing tables of fees to be charged and paid.

4. This Committee shall be a permanent body but so that two members thereof shall retire every year and whose places shall be filled up by the Court. The retiring members shall be eligible for re-election.

5. In electing members of the Court, the Council of the Chamber shall have regard to the recommendation of the Chambers of Commerce and Trade Associations affiliated to this Chamber.

6. The Secretary of the Chamber shall be the Registrar of the Court. It shall be his duty to act as Secretary of the Court, its Committee and its tribunal and keep records and do all the executive work of the Court.

7. The rules of the Indian Arbitration Act of 1899, and Schedule 2 of the Civil Procedure Code of 1908 (Arbitration) will apply to the arbitrations under these rules except as modified by them.

8. The disputants who wish to take advantage of this scheme shall execute a reference paper in the form prepared by the Committee of the Court and file the same with the Registrar.

9. The Registrar will place reference papers before the Committee of the Court. Parties should nominate arbitrators and in case of their failure to do so within a week from the day of filing reference, the Committee of the Court shall appoint two arbitrators, and direct to procure their consent to act in the tribunal. This having been obtained and the tribunal constituted the Registrar shall fix a day for the trial and give notice thereof to the parties.

10. On the day fixed for trial and before they commence it the Arbitrators, if they are more than one, between themselves fix upon an Umpire who should take up the arbitration in case of the difference of opinion between the arbitrators. This name shall not be disclosed but shall be written on a paper, put in an envelope and sealed. The envelope shall be handed over to the Registrar who will open it only in case of difference of opinion and thereupon immediately request the Umpire to take up the matter.

11. The arbitrators may take oral or documentary evidence, hear parties or their agents, may take expert advice and do everything to come to a right decision of the case.

12. Within one month from the filling of the reference, or such further time as they may extend, the arbitrators shall prepare a written award, sign the same in the presence of the Registrar and hand over the same to him.

13. The arbitrators in their decision may by writing extend the time to make their award but in no case it will be later than three months from the date of reference. If they fail to make the award within the time prescribed, the Registrar shall forthwith request the Umpire to take up the matter.

14. The Umpire shall make his award within a fortnight from the day he takes it up provided he extends the time to do so by writing, but such shall not exceed two months from the day on which he has taken up the matter. If he fails to give his award during that time the arbitration shall lapse and the parties may put in a fresh reference.

15. The parties to an arbitration shall pay to the Registrar such fees as may from time to time be fixed by the Committee of the Court.

16. The arbitrators of a tribunal or an Umpire are entitled to such fee or fees for their services as may be fixed by the Committee of the Court.

Rules prepared by the Committee of the Court for carrying on the work of the Arbitration Court.

The provisions of Act IX of 1899 (Arbitration), will apply to all the arbitration made to this Court under its rules.

2. Under these rules the word "The Court" means the Court appointed by the Committee to the Arbitration Court.

3. The disputants shall prepare a submission paper in the form (1) of the Indian Arbitration Act, copies whereof will be supplied by the Registrar on payment of one anna.

4. The submission paper shall state :

(*a*) The name of disputants made over in several numbers and arranged as far as practicable as Plaintiffs and Defendants.

(*b*) Each party shall mention in short the facts of his case.

(*c*) Specify the name of the sole Arbitrator or two Arbitrators as the case may be to whom the submission would be made.

(*d*) Specify whether the Arbitrator or Arbitrators have consented to take up the arbitration.

(*e*) A statement showing that the party shall abide by the award made by the Arbitrator or Arbitrators or the Umpire unless it is bad in the Law.

(*f*) Specify that they have paid Rs. 20 to the Registrar at the time of the submission paper or in case of more arbitrators than one, Rs. 20 for each arbitrator named.

(g) The disputants who are not members of the Chamber shall pay double the fees mentioned in Schedule.

5. On receipt of the reference paper, the Registrar shall fix a day for the hearing of the case and give notice to the Arbitrators and the parties. In case any of the Arbitrators refuses to act, the Committee shall be called upon to nominate an Arbitrator in his place who after signifying his consent will at once take up the matter.

6. The Registrar shall issue notices to the parties to appear before the Arbitration Court with the papers proving their case and the witnesses if any.

7. The Court before proceeding with the case and if the Arbitrators are more than one shall write down the name of the Umpire in case of their disagreement, and place the paper in an envelope, seal it hand it over to the Registrar. The name shall not be mentioned to any person until on the opening of the envelope, by the Registrar as hereinafter provided.

8. The Arbitrators shall hear the parties and their witnesses, consider the documents produced and thereafter adjourn to consider their award.

9. Within the time fixed by the Court Rule XII and within such extended time as may be fixed by the Court but in no case more than three months from the date of the submission the Arbitrators shall sign their award in the presence of the Registrar who will attest the same and file it.

10. The Arbitrators shall in the arbitrations make provision for the costs and the proportion in which and by whom and to whom to be paid.

11. If the hearing lasts for more than one day of two hours at a time the arbitrators may fix upon the amount of the Court's costs to be paid per diem by the parties.

12. If the arbitrators do not agree as to the award the non-agreement shall be notified to the Registrar who will open the sealed envelope and will at once refer the mat-

ter of difference to the Umpire who will make his award within the time prescribed by Rule XIV of the Court's Rules.

13. When the award is made by the Umpire the same shall be signed by him in the presence of the Registrar who will attest it and file it.

14. The Registrar shall within four days from the filling of the award give notice to the parties and, when applied for, give a copy of the same to him or them.

15. The fees fixed in the Schedule annexed hereto shall be charged under these rules.

SCHEDULE.

(1) Fee to be tendered with the reference paper Rs. 20 for each Arbitrator named in the Reference paper and a fee of Rs. 30 shall be tendered for the Umpire in case the matter is referred to the Umpire provided that Rs. 5 shall be deducted from all such fees as fees due to the Chamber.

(2) The parties before they enter upon hearing shall deposit Rs. 50 for making and stamping the award which will be accounted for at the time of filing the award.

(3) The party applying for copy of the award shall pay full stamps required to be paid under the Stamp Act and the copying charges.

Rules for the Election of Port Trustees by the Chamber

(Adopted at the Extraordinary General Meeting of the Chamber held on Wednesday, the 28th February 1923).

(1) The Electoral Roll of the Chamber shall be prepared by the Secretary, giving particulars regarding the respective trade of each member provided that the name of each member shall be entered under any one of the following trade sections as he may select, viz. (1) Cotton, (2) Piecegoods, (3) Grain and Seeds, (4) General. No member, after once selecting a particular section, shall be allowed to get his name transferred to another section except for special reasons,

and the Committee shall decide as to the validity of such reasons, Protests, if any, against the allocation of a member to a particular trade will be examined by a Sub-Committee consisting of two members appointed by the Committee and the Secretary, (whose decision shall be final) on any such date as may be fixed by them. Changes regarding other items in the Electoral Roll shall be notified to the Secretary, within three days of the issue of the circular inviting nomination papers from members desirous of standing as candidates for the election of Port Trustees (as provided in Rule 3) and the Electoral Roll shall be amended accordingly. No vote by proxy shall be allowed.

2. Candidates for the election as Port Trustees, as well as voters should be members of the Chamber, or duly nominated representatives of the members of the Chamber, with their names registered as such in the Register of members of the Chamber and the Electoral Roll provided that candidates must always be Indians.

3. The Committee of the Chamber shall, as and when necessary, invite applications from members for election as Trustees of Port of Bombay and shall fix the date on which the election shall be held provided that there shall be the following allocation of seats to different trade interests:—

Trade.	Seats.
Cotton	1
Piecegoods	1
Grain and Seeds	1
General	2

There may be any number of candidates from each of these sections but only the number allotted to each shall be elected.

4. Any member desirous of standing as a candidate for the election shall signify in writing such his desire to the Secretary seven clear days before the date fixed for the election, and send his nomination signed by his proposer and seconder who must be members of the Chamber stating what particular section he represents provided that he shall be allowed to stand on behalf of that particular section which has been specified against his name in the Electoral Roll under Rule No. 1,

5. If the number of candidates for election for different sections shall be the same as the number of vacancies, the candidates shall be deemed to be duly elected.

6. If the number of candidates for election for different sections shall exceed the number of vacancies, the Secretary shall send the names of such candidates to each member of the Chamber, three clear days before the date fixed for the election, giving particulars regarding the trade which each candidate represents.

7. The Committee of the Chamber shall appoint two scrutineers for the scrutiny of the voting papers at least 7 clear days before the date of the election.

8. On the day of the election, the ballot box will remain open from 10 a.m. to 9 p.m. (S.T. in the office of the Chamber. Voting papers will be supplied to members of the Chamber in the office of the Chamber and members will fill these up and place them in the ballot-box. The counterfoils of these voting papers shall be first signed by members which shall be retained by the Secretary. The ballot-box will be in charge of the Secretary or an officer of the Chamber appointed by him. Scrutineers will seal the ballot-box at 6 p.m. (S.T.) on the day of the election and after scrutinising the voting papers shall on the day following along with the Secretary declare the result. No duplicate voting paper will be issued unless the original is returned. Candidates and their agents shall not to be allowed in the room in which the ballot-box is placed, excepting for the purpose of registering their own votes.

9. The candidate or, where there is more than one Trustees to be elected for the different sections, the candidates not exceeding the number of Trustees to be elected who has or have the largest number of votes shall be declared duly elected.

10. In the event of an equality of votes preventing the due election of any of the candidates, the members shall vote afresh in the manner above laid down in respect of the candidates having an equal number of votes.

11. In the event of a casual vacancy or temporary absence of a Trustee, the same course shall be followed in the appointment of a substitute.

12. *If a candidate is desirous of withdrawing his candidature from the election contest, he should give intimation of his withdrawal to the Secretary so as to reach him at least 48 hours before the day of Election.

13. *In case of difference of opinion or a dispute between the candidates for election the matter should not be taken to the Court but should be referred to the Committee. The candidates should not make personal allegations during their election campaigns.

(*Added at the Quarterly General Meeting of the Chamber held on 27th July 1929).

Rules for the Election by the Chamber of a Representative on the Bombay Municipal Corporation.

(*Adopted at the third Quarterly General Meeting of the Chamber held on 11th November* 1922.)

(1) Candidates for the election as a Corporator of the Bombay Municipality, as well as voter, therefor, should be members of the Chamber or representatives deputed by member-firms or member associations (whose names should be duly notified to the Secretary of the Chamber from time to time) provided that candidates must always be Indians.

(2) Those members who wish to become candidates in conformity with Rule 1 should send their names to the office of the Chamber twelve clear days before the date fixed for the election together with the names of proposers and seconders.

(3) The Committee of the Chamber shall elect two Scrutineers at least seven clear days before the date fixed for the election.

(4) The Secretary of the Chamber shall circulate the names of candidates at least seven clear days before the date fixed for election.

(5) The Committee shall fix a day (notice thereof shall be given to all the members of the Chamber) on which

the ballot-box will be kept open from 10 a.m. to 6 p.m. (S.T.). Voting papers will be provided to the members in the office of the Chamber and the members will be required to place them, duly filled in the ballot-box. The slips containing the signature of the members voting will be placed in another box. Both these boxes will remain in charge of the Secretary or other officer of the Chamber appointed by him. At 6 p.m. (S.T.) on the date of the election the Scrutineers shall seal the ballot-box and on the next day after scrutinising the voting papers declare the result of the election. A fresh voting paper will only be issued in return of the original one. It shall not be open to the candidates or to their agents to enter the room containing the ballot-box except of the purposes of recording their votes, nor will they be permitted to arrange refreshments in connection with the election.

(6) The candidate who gets the highest number of votes, shall be declared duly elected.

(7) In the event of two or more candidates getting an equal number of votes, the election shall be held afresh in the manner above laid down in respect of candidates getting an equal number of votes.

(8) In the case of there being only one candidate, he shall be declared to be duly elected.

(9) In the case of a casual vacancy necessitating the election of a substitute, the election shall be made in the manner above laid down.

*(10) If a candidate is desirous of withdrawing his candidature from the election contest, he should give intimation of his withdrawal to the Secretary, so as to reach him at least 48 hours before the day of Election.

*(11) In case of difference of opinion of a dispute between the candidates for election the matter should not be taken to the Court but should be referred to the Committee. The candidates should not make personal allegations during their election campaigns.

(*Added at the Quarterly General Meeting of the Chamber held on 27th July 1929).

Rules for the Election of a Representative of the Indian Merchants Chamber to the Senate of the Bombay University Under Act IV of 1928.

(Adopted at the Extraordinary General Meeting of the Chamber held on 12th February 1929.)

1. The list of Members of the Chamber in force one week before the election date shall be considered as the Electoral Roll, copies of which can be had from the Office of the Chamber on payment of Rupee One each. If any changes are required to be made in the name of representatives, etc., in the Roll, information in writing must be given to the Secretary by members one week before the date of election. No intimation received after the due date will be recognised.

2. Candidates for election should be members of the Chamber or representatives deputed by members provided they are always Indians.

3. Any member desiring to stand as a candidate should send his name to the office of the Chamber ten days before the date fixed for election together with the names of a proposer and a seconder, whose names appear on the Electoral Roll.

Any nomination paper which is not in confirmity with these Rules shall be deemed invalid and rejected as such.

4. The Committee of the Chamber shall elect two Scrutineers at least 5 days before the date fixed for election.

5. If there is not more than one candidate for election, the candidate duly nominated shall be declared to be duly elected. If however, there are more candidates than one, the Secretary shall send the names of all candidates to each member of the Chamber seven days before the date fixed for election.

6. The Committee shall fix a day (notice whereof shall be given to all members of the Chamber) on which the ballot-box will be kept open from 10 a.m. (S.T.) to 6 p.m. (S.T.). Voting papers will be provided to members in the office of

the Chamber and members will be required to place them duly filled in the ballot-box. Counterfoils of the voting papers, which should be placed in another box, should be first signed by the voters. Both these boxes will remain in charge of the Secretary or other officer of the Chamber appointed by him. The Scrutineers will seal the ballot-box at 6 p.m. (S.T.) on the day of election, and shall on the next working day after scrutinising the voting papers, with the Secretary, forthwith declare the result. No Duplicate voting paper will be issued unless the original is returned.

7. Candidates or their agents shall not be allowed in the room in which the ballot-box is placed, except for the purpose of registering their own votes, and not more than one voter at a time shall be allowed in the room.

8. A candidate getting the highest number of votes shall be declared duly elected. In the event of two or more candidates getting the highest number of equal votes, the election shall be held afresh in the manner above laid down in respect of only those candidates who get highest number of equal votes, within five days of the declaration of the result.

If of the candidates who have secured an equal number of votes all but one withdraw from the contest and intimate in writing such withdrawal to the Secretary not less than two clear days before such a fresh election, the remaining candidate will be declared to be duly elected.

9. If a candidate is desirous of withdrawing his candidature from the election contest he should give intimation of his withdrawal to the Secretary so as to reach him at least 48 hours before the day of Election.

10. *In case of difference of opinion or a dispute between the candidates for election the matter should not be taken to the Court but should be referred to the Committee. The candidates should not take personal allegations during their election campaigns.

(*Added at the Quarterly General Meeting of the Chamber held on 27th July 1929).

CHAIRMEN OF THE INDIAN MERCHANTS' CHAMBER.

1907—13 The Hon. Sir Manmohandas Ramji.
1913—14 Sir Purshotamdas Thakurdas, C.I.E., M.B.E.
1914—15 Sir Fazulbhoy Currimbhoy, C.B.E.
1915—16 The Hon. Sir Dinshaw Edulji Wacha.
1916—17 Sir Lallubhai Samaldas, C.I.E.
1917—18 Sir Vithaldas D. Thakersey.
1918—19 Sir Chunilal V. Mehta, K.C.S.I.
1919—20 Mr. Jehangir Bomanji Petit.
1920—21 Mr. Lalji Naranji.
1922 Sir Purshotamdas Thakurdas, C.I.E., M.B.E.
1923 Sir Fazulbhoy Currimbhoy, C.B.E. (From 24-2-23 to 3-9-23)
Mr. Devidas Madhowji Thakersey (From 4-9-23 to 25-1-24.)
1924 The Hon. Sir Manmohandas Ramji.
1925 The Hon. Sir Phiroze C. Sethna, O.B.E.
1926 Mr. Lalji Naranji.
1927 Mr. Walchand Hirachand.
1928 Sir Shapurji B. Billimoria, Kt., M.B.E., from 31-1-28 to 20-3-28
Mr. H. P. Mody from 30-3-28 to 17-2-28 and
Mr. L. R. Tairsee from 28-7-28.
1929 Mr. L. R. Tairsee.
1930 Mr. Hooseinbhoy A. Lalljee.
1931 Sir Chunilal V. Mehta, K.C.S.I.
1932 Mr. B. N. Karanjia till November.
Mr. Mathuradas C. Matani November to January.
1933 Sir Manmohandas Ramji
1934 Mr. Mathuradas Vissonji.

SECRETARY : J. K. Mehta.

Asst. Secretaries : Mr. A. H. Maru and
Mr. A. C. Ramalingam.

CHAMBER'S REPRESENTATIVES OF PUBLIC BODIES

Representative in the Legislative Assembly.

Mr. Mathuradas Vissonji, M.L.A.

Representative in the Bombay Legislative Council.

Mr. Laxmidas R. Tairsee.

Representatives on the Board of Trustees of the Port Trust.

1. Sir Purshotamdas Thakurdas, C.I.E., M.B.E., (Cotton.)
2. Mr. Gordhandas N. Morarji (Piecegoods).
3. Mr. Ratilal Gandhi (Grain and Seeds.)
4. Mr. A. D. Shroff (General).
5. Mr. Laxmidas R. Tairsee (General).

Representative on the Bombay Municipal Corporation.

Raja Bahadur Govindlal Shivlal.

Representative on the Advisory Committee of the Bombay Development Department.

Mr. Manu Subedar.

Representative on the Indian Central Cotton Committee.

Mr. Chunilal B. Mehta.

Representative on the Advisory Committee of the Royal Institute of Science in Bombay.

Mr. Kapilram H. Vakil.

Representatives on the Local Advisory Committee of Railways.

G. I. P. Railway :—

Mr. Gordhandas G. Morarjee.

B. B. & C. I. Railway :—

Mr. R. P. Masani.

Representatives on the Panel of the Railway Rates Advisory Committee.

1. Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.
2. The Hon'ble Sir Phiroze C. Sethna, O.B.E.
3. Mr. Manu Subedar.
5. Mr. Mathuradas Vissonji.
5. Mr. M. C. Ghia.

Representative on the Governing Body of the Indian Mercantile Marine Training Ship 'Dufferin'.

Mr. M. A. Master.

Representative on the Senate of Bombay University

Mr. Nagindas T. Master.

Representative on the Tariff Control Committee (Bombay).

Mr. L. R. Tairsee.

Representative on the Board of Communications.

Mr. K. S. R. Iyer.

Representative on the Indian Sailors Home Committee.

Mr. M. A. Master.

Representative on the Board of the Bombay Telephone Co.

Mr. Mathuradas Vissonji.

Mr. J. K. Mehta, M.A. (Secretary).
Mr. A..H. Maru, Asst. Secretary.
Mr. A. C. Ramalingam ,, ,,

LIST OF THE OFFICE-BEARERS FOR THE YEAR 1935.

President : Mr. Manu Subedar.

Vice-President : Mr. Rahimtulla M. Chinoy.

Members of the Committee :

1. Mr. A. D. Shroff
2. ,, Amratlal Kalidas
3. ,, B. S. Turkhad
4. ,, Bhawanji A. Khimji
5. ,, Chandulal P. Parikh
6. ,, Dhirajlal C. Modi
7. ,, E. R. Hirjibehedin
8. ,, Jal A. D. Naoroji
9. ,, Jamnadas H. Sanghvi
10. ,, J. C. Setalvad
11. ,, Kaikobad Cowasji Dinshaw
12. ,, Keshavprasad C. Desai
13. ,, Madhavlal M. Bhatt.
14. ,, Mangaldas B. Mehta
15. ,, M. C. Ghia
16. ,, Mathuradas Canji Matani
17. Dr. M. Venkatrao
18. Mr. Nandlal M. Bhuta
19. ,, Sarabhai Prataprai
20. ,, S. C. Majumdar
21. Sir Sorabji N. Pochkhanawalla, Kt.
22. Professor Sohrab R. Davar
23. Mr. Thakorelal H. Vakil.

Co-opted.

1. Sheth Chaturbhuj Gordhandas
2. Mr. Lachhmandas H. Daga
3. Sir Currimbhoy Ebrahim, Baronet.
4. The Grain Merchants' Association (Mr. Velji L. Napoo).
5. The Silk Merchants' Association (Mr. Behram N. Karanjia)

6. The Seeds Traders' Association (Mr. Ratilal M. Gandhi).
7. The Indian National Steamship Owners Assen. (Mr. Shantkumar N. Morarji).
8. The Bombay Shroff Association (Mr. Mohanlal A. Parikh)
9. The Bombay Yarn Copper & Brass Native Merchants' Association (Mr. Sankalchand G. Shah).
10. The Maharashtra Chamber of Commerce (Mr. M. L. Dahanukar)
11. The Bombay Rice Merchants' Association (Mr. Fakhirmahomed C. L. Siagin.)
12. The Bombay Cotton Merchants' & Muccadums Association, (Mr. Mahomedali Habib).
13. The Bombay Bullion Exchange, Ltd. (Mr. Chunilal B. Mehta).
14. The Swadeshi Market Committee (Mrs. Lilavati K. Munshi)

Ex-Officio.

1. Sheth Mathuradas Vissanji, M.L.A. (Legislative Assembly)
2. Mr. L. R. Tairsee, M.L.C. (Bombay Legislative Council).
3. Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E. (Bombay Port Trust)
4. Mr. Gordhandas G. Morarji (G.I.P. Rly. Local Advisory Committee).
5. Raja Bahadur Govindlal Shivlal (Bombay Municipality).
6. Mr. Nagindas T. Master (Bombay University Senate)
7. Mr. R. P. Masani (B. B. & C. I. Rly. Local Advisory Committee).
8. ,, Kapilram H. Vakil (Royal Institute of Science Advisory Committee).
9. ,, K. S. Ramchandra Aiyer (Bombay Provincial Road Board).
10. ,, M. A. Master (Governing Body of the I. M. M. T. S. "Dufferin").

Mr. J. K. Mehta, M.A., (Secretary).

LIST OF JOURNALS AND PERIODICALS RECEIVED IN THE LIBRARY OF THE INDIAN MERCHANT'S CHAMBER.

Quarterly.

1. Empire Cotton Growing Review.
2. Swedish Economic Review.
3. Finish Trade Review.

Bi-Monthly.

1. The Yokohama Trade Review.
2. Industrial Safety Survey (International Labour Office).

Monthly.

1. * Monthly Bulletin of Statistics issued by the League of Nations.
2. International Conciliation.
3. London Chamber of Commerce Journal.
4. Monthly Journal of the Liverpool Chamber of Commerce.
5. ,, ,, Manchester ,, ,,
6. ,, ,, Sheffield ,, ,,
7. ,, ,, Bradford ,, ,,
8. ,, ,, Nottingham ,, ,,
9. ,, ,, Northamptonshire ,,
10. Monthly Report on Current Economic conditions in Japan issued by the Tokyo Chamber of Commerce.
11. * National Geographic Magazine.
12. Indian Insurance.
13. Mercantile Guardian.
14. * International Labour Review.
15. Bombay Labour Gazette.

* Subscribed for by the Chamber.

16. Engineering Progress.
17. Monthly Sea-borne Trade Returns of British India.
18. Monthly Returns of the Coasting Trade of British India.
19. Monthly Statistics of Cotton Spg. & Wvg. in Indian Mills.
20. Trade at Stations adjacent to Land Frontier Routes.
21. Exports of Indian Artware and Sportsgoods.
22. Kathiawar Trade Statistics.
23. Raw Cotton Trade Statistics.
24. Joint Stock Companies.
25. Statistics of Import & Export trade in Cotton Yarn & Piecegoods of British India (Issued by the Bombay Millowners' Association).
26. Statistics of Import & Export Trade in Cotton Yarn & Piecegoods of the Bombay Presidency excluding Sind (Issued by the Bombay Millowners' Association).
27. * Modern Review.
28. * Asia.
29. American Exporter.
30. The German Industrial Echo : Exporters' & Importers' Journal.
31. German Exporter.
32. Belgium Abroad.
33. Monthly Summary of the Foreign Commerce of the United States.
34. Swedish Exporter.
35. Indian Concrete Journal.
36. Monthly Review of the Lloyds Bank.
37. ,, ,, ,, National City Bank of New York.
38. ,, ,, ,, Barclays Bank.
39. ,, ,, ,, Midland Bank.
40. ,, ,, ,, Westminister Bank.
41. "Index"—(Svenska Handelsbanken, Stockholm).

* Subscribed for by the Chamber.

42. World Trade (International Chamber).
43. Ubersee Post.
44. Mysore Economic Journal.
45. Tisco Review.
46. N. Y. K. Travel Bulletin.
47. Fortune (U. S. A.)
48. Drashti.

Weekly.

1. * Economist.
2. * Statist.
3. * Indian Finance.
4. * Manchester Guardian Commercial.
5. Board of Trade Journal.
6. Indian Trade Journal.
7. Commerce Reports (U. S. A.)
8. Calcutta Commercial Gazette.
9. Industrial & Labour information.
10. * Nation (U. S. A.)
11. Bombay Government Gazette.
12. * Gazette of India.
13. * New Leader.
14. Servant of India.
15. Commerce & Industry.
16. Financial News.
17. Harijan.
18. Swadeshi.
19. Weekly Market Report by Messrs. Premchand Roychand.

Occasional.

1. Legislative Assembly Debates.
2. Council of State Debates.
3. Bombay Legislative Council Debates.
4. * Publications of the International Labour Office.
5. Indian Tea Statistics.
6. Indian Coffee Statistics.

* Subscribed for by the Chamber.

7. Indian Agricultural Statistics.
8. Wholesale Prices of certain staple articles of Trade at Selected stations in India.
9. Publications of the League of Nations.
10. Bulletins issued by the United States Bureau of Labour Statistics.
11. Bulletins issued by the Government of Bombay, Department of Industry.
12. Bulletins issued by the Government of Bombay, Agricultural Department.
13. Pamphlets issued by the Commonwealth of Australia Council of Agricultural Research.
14. Reports of Several Chambers of Commerce and other Commercial Associations.
15. Reports of Tariff Board.
16. Customs Tariffs of different nations as supplied by the Department of Commercial Intelligence & Statistics, Calcutta.
17. Publications issued by the Department of Commercial Intelligence & Statistics.
18. Review of Trade.
19. Economic Forum (U. S. A.)

Gujerati Periodicals.

1. Sahitya.
2. Buddhi Prakash.
3. Jnnan Vardhak.
4. Khetivadi Vignan.
5. Bhagyoday.
6. Vaidya Kalpataru.
7. Digambar Jain.
8. Gujerati Punch (Weekly)

* Subscribed for by the Chamber.

Annual General Meeting.

The Twenty-seventh Annual General Meeting of members of the Chamber was held on Saturday, the 2nd February 1935, at 3-0 p. m. (S. T.) at the office of the Chamber, when the following members were present :—

Mr. Manu Subedar (Vice-President)
,, Rahimtulla M. Chinoy
,, R. C. Shroff
,, A. D. Shroff
,, Kaikobad C. Dinshaw
,, Thakorelal H. Vakil
,, Behram N. Karanjia
,, H. B. Kotak
,, Shamji Valji
,, Shyamdas Govindji
,, Mangaldas B. Mehta
,, Mohanlal Nanchand
,, Mohanlal Chakubhai
,, Nagindas T. Master
,, Jethalal D. Dave
,, Maneklal P. Shah
Raja Bahadur Govindlal Shivlal
Mr. J. C. Setalvad
,, Sankalchand G. Shah
,, Sarabhai Prataprai
,, B. J. Modi
,, J. P. Mehta
,, Dhirajlal C. Modi
Prof. S. R. Davar
Mr. Madhavlal Makanji
,, Tulsidas Khimji
,, R. N. Adarbad
,, Anandji Haridas
,, Gelabhai
,, Vallabhdas Ranchhoddas
,, R. N. Bapasola
,, Feroze C. Cooper
,, Bhagwandas Munmohandas

Mr. Purshotamdas Popatlal
,, T. M. Saherwala
,, Khimji M. Bhujpuria
,, S. D. Shethia
,, K. S. R. Iyer
,, Keshavprasad C. Desai
,, Mathuradas C. Matani
,, Jamnadas H. Sanghvi
,, V. N. Patruni
,, D. T. Thadani
,, S. C. Majumdar
,, Harilal Contractor
,, Chandulal C. Modi
,, Chandulal P. Parikh
,, P. D. Bhat
Dr. M. Venkatrao
Mr. E. R. Hirjibehedin
,, M. L. Dahanukar
Dr. Kalim Uddin
Mr. Gordhandas G. Morarji
,, Nandlal Chaganlal
,, V. N. Thakkaer
,, Manilal Balabhai
,, Amratlal Kalidas

In the absence of Seth Mathradas Vissanji, the retiring President, Mr. Manu Subedar, the Vice-President, who was also the incoming President presided.

Mr. Subedar spoke as under :

Gentlemen,

If I were to follow the precedent of annual speeches by Chairmen of British Institutions, it would be to glean from the events of the year those facts, that point out to the advent of better times. In India we find in the speeches of the Viceroy and the Finance Member, who urge that improvement is within sight and that we have passed the worst. Recently there is also a new refrain in these speeches of Viceroys and Governors in India, that the Joint Select

Committee's Report and the new India Bill envisage a constitution, which is good for India and that the safeguards would remain a dead letter in practice. If the safeguards are going to be a dead letter in practice, one would naturally ask why they are being introduced against the common and unanimous feeling throughout this country amongst all parties. The view, which Indian public opinion takes of this subject, is that the safeguards, if at all introduced, should satisfy the criterion laid down in the Irwin-Gandhi Pact, *viz.* that they must be demonstrably in the interests of India. The fact that these safeguards have been increased in number and strengthened in terms and that reserve powers have been created so as to prevent ostensibly legislative and administrative discrimination but practically everything else makes, to our mind, a travesty of the constitution, putting in the front rank, not the financial and economic requirements of this country, but the financial and economic interests of the United Kingdom. As such, the constitution would be regarded as having been imposed on India. It is different from what has been asked for. This result is the symptom of this country's political disunity and backwardness and not the triumph of Indian public opinion. It is not my province to venture into a discussion, whether such a constitution would be acceptable or unacceptable, or whether it would be worked or unworked. But I would say that, in terms of freedom and autonomy, by which alone constitutions can be judged, it would be most unsatisfactory.

Many economic questions have been shelved pending the political reforms. Changes in the currency policy and in the banking organization of the country have also been deferred. The one symptom of a revival, on which everybody bases his observation, is the rise of prices of staple Indian commodities. Such a rise cannot be said to have been yet achieved. What has happened is that, there was a phenomenal fall on account of Government's financial policy accentuated by world conditions, and this country cannot yet be said to have made full recovery from that disastrous fall. We desire to see in the Indian business

world a revival of confidence, unaccompanied by unhealthy speculation and gambling, and a growth of industry correlated with the general requirements of the country. From this point of view, we have still much headway to make in India and it is to secure progress in this direction that Indian public opinion has from time to time urged on Government, financial and other reforms. Much of what Indian opinion has demanded, has, however, not been conceded. Whatever is suggested by leading Indians is explained away by officials as premature or too late or inopportune. In other cases, they use the powerful machinery of propaganda at great expense to the country, to prove that the popular demand is wrong and that, if such demand were conceded, this or that interest would suffer. The balancing of different interests is a problem before all Governments in the world, but in India it is being used on many occasions by official apologists not in order to round off the corners of Government programme evolved in response to popular demand itself, but in order to suppress such popular demand and to establish in the popular mind the wisdom of the course, which Government actually pursue.

Economic Planning.

The fixed economic notions of every nation in the world have been uprooted. Free countries like the United Kingdom have embraced protection and have raised, under the title of 'safeguarding' enormous tariff walls. On the plea of securing the home market to home producers, they have set up quotas for the import of non-British material. Countries like Germany, which had organized definitely for a large export of manufactured articles, are being compelled to seek economic self-sufficiency within their borders. In this general upset, the Indian situation has not been considered by Government on its own merits. Attempt has been made in the United Kingdon to regard India as a free market for the United Kingdom as an integral part of the British Empire, producing raw materials and semi-finished goods. The enormous industrial development in this country is being ignored and belittled and the trend of policy is more

to discourage than to encourage the growth of manufacture. Indians have put forward the goal of self-sufficiency for India in manufactured goods as an ideal to be reached by convenient stages not merely through sentimental economic nationalism, but as a real and permanent solution for the problem of India's poverty and the increasing unemployment of her population. We desire to secure the technical skill inventiveness and the capacity to organize, which are associated with manufacturing activities. We desire to retain in our country the profit and the perquisites from the sale of manufactured goods, which are at present going abroad. Even for those industries, for which abundant raw materials exist in this country and there is a big market, India is paying an annual tribute running into crores of rupees represented by the difference between the price of such raw materials realised by her population and the price, which is paid by them for the finished articles.

With the Indian Industries Commission of 1916, we had hopes that the Government of the country had accepted the policy of increasing industrialisation in India on suitable lines as opportunities arose, but a review of twenty years' activities gives a rude shock to such hopes. This Chamber has from time to time commented on the defects of the machinery for granting protection to Indian industries when they are assailed not only by normal competition from abroad, but by subsidised onslaught favoured by exchange factors and other extraneous considerations. It is a matter for wonder that, in spite of these disabilities, private enterprise has come forth in India for industrial development and that the progress so far recorded has taken place.

The Indian outlook on this subject has been deprecated as an attempt to neglect agriculture or reduce its importance. Such an attempt, unfortunately, has been made from the highest quarters, but its foundation lies in a misapprehension. The best friend of the Indian agriculturist is the Indian industrialist, who offers him a ready market at home, sure and at all times and uninfluenced by happenings abroad.

In an age, where foreign agriculture is making great headway, assisted by machinery and invention, Indian agriculture itself is threatened. Such a threat has arisen already in the past in the matter of Indian fruits, rice, wheat and sugar, and it might extend to other important items of Indian agriculture. The incentive to improvement in agriculture arises more directly where local manufacturers indicate their preference for better quality in the case of commercial crops. India's purchasing power and Indian demand should be so organized at home as to assist not merely Indian industries, but Indian agriculture.

Lack of Scientific Tariff.

All this could be secured only when there is a plan, in which the economic and financial issues are all well balanced. Even powerful countries, like the United Kingdom and the United States, are experiencing economic difficulties and have felt the necessity of such a plan, but in India Goverament is content to drift. They are content to take piecemenl measures, as in the case of the proposed Marketing Organisation. I do not say that human wit could devise a programme that would be good for all times and could be realised in all details. But we are still in the elementary stage, where we have to pursuade the Government of the country to accept the need of such a programme. In any such programme I would give a very high place to the revision of the Indian tariff system. The schedule of Indian tariffs operating at present has grown up haphazard and without a design. We find traces of every idea, that has struck the Government of the country in that schedule, but, what we cannot find, because it does not exist there, is scientific grasp of the situation in correlation to a definite economic whole. We have cases, where the raw material is imported at a heavy rate of duty, while the finished product gets in free or very low. This is on some excuse or the other, but in the end, it is calculated to prevent the growth of industry and growth of employment in this country. This printed material, which comes in free, damages the manufacturers of paper and of ink and of print-

ing machinery and of stationery, as well as the business of publishers and printers in India, but we are told that there should be no tax on knowledge. It encourages Indians to publish their books abroad. On the ground favouring electrical equipment, much fabricated steel is allowed to come in at rates, at which it cannot be produced in India. On the ground of cheapening stores for the textile industry, stuff is coming in, competing the local market in the matter of sizing materials, chemicals and a large number of miscellaneous articles, I find in the schedule of metals, that, there is little or no difference between the duty charged on ingot, sheet and circle and the final manufactures. This kind of schedule would do credit to a military government which existed in the middle ages, but any country in the world would be ashamed to have its tariff system in such disorder. If we had a national government, the very first task would be to define some definite economic aims and to see that the tariff schedule is directly calculated to advance those aims. We would have differences between the import duty on raw materials, on semi-finished goods and on the final fabrications, which would show that the Government of the day is intelligent enough to see the difference and is anxious to secure as much fabrication in this country as possible. The tariff is in India regarded by Governement more as a means of raising revenue than for any other set economic purpose.

While on this subject, I cannot help feeling that this is not the first time that we have expressed ourselves from this platform as critics of Government, but our views have been ignored. Formerly, it was regarded that this was a political cry by a small fringe at the top and that Government were doing the right thing as trustees of the masses. Later, it was said that a small group of Indian capitalists were out to exploit the masses and Britain would not permit it. But now when it has been definitely proved that there is a serious and continuing deterioration in the condition of the masses, which requires this economic planning and which requires growing industrialisation for the absorption of our population, we would await what official apologists have to say

for the confusion in the financial system of the country, for the unscientific and blind grouping in the tariff schedule, and for uncorrelated cross currents in the policies of various public departments of Government themselves, which affect the economic life of the country and of the masses adversely.

Reserve Bank.

The Reserve Bank of India is an accomplished fact. It is true that the standpoint, which this Chamber has maintained, and the ideas, which we have urged to have this Bank as a national institution owned by the State have not been realised. The Indian aspirations in regard to the personnel have also been falsified. I do not wish to comment on the first Board of Directors, in which three of our members are sitting, except that they owe their nominations to official goodwill and not to the franchise of the shareholders. While we are disappointed, therefore, at the constitution of the Reserve Bank, it now remains to be seen whether the manner in which this institution will function, will give satisfaction to the public. For that we must await the passage of time, but I trust that a strong man like Sir Osborne Smith will realise the advantage of winning Indian approbation for an institution, in which Indians would justly desire to take pride as a national institution. There is only one danger, which I apprehend and justification for which is found in the experience of Central Banks established in other Dominions of the British Empire, and that is, that Banks with their head offices in London, *viz.*, the Exchange Banks, may not be altogether amenable to the control and the discipline, which the Reserve Bank is expected to establish. I am sure the Reserve Bank with its resources will be equal to the task in meeting any resistance from outside, but, what is to be guarded against, is the acquisition of controlling interests in the Reserve Bank by alien interests. From this point of view, Sir Basil Blackett's stockholders' Bank was very much better than Sir George Schuster's parting gift to us. No provisions have been made for separate register of holdings of shares by Indians and by non-Indians. The division of the shareholding, apparently

on the principle of justice, appears to have been in order to prevent the dominance of monetary centres like Bombay and Calcutta. I would appeal to every patriotic Indian under the present circumstances to apply for the shares of the Reserve Bank of India and to hold them even if the temptation of a premium arises. I fear that, at a small premium, foreign interests will acquire a control in holding. While these shares will be a fair and perfectly safe investment, they carry with them a valuable right of election of Directors. As things are, the prospect of sending independent Directors, who will take a patriotic Indian standpoint and who will be also competent to deal with the large problems with which the Reserve Bank will be concerned, is none too bright, but a control of foreign interests from inside on the strength of their shareholding would be nothing short of a disaster. With regard to this matter Indian business opinion will await development to see whether those, who talked glibly of keeping the Reserve Bank free from political influences, were referring merely to political influences favourable to Indian national development, or to those that find their inspiration and their being in the City interests of the United Kingdom.

Trade Settlement with Maritime States.

The problem in connection with the Indian States ports is, briefly, the growth of uneconomic and subsidised ports, the diversion of trade from their normal channels and the division of Customs revenue between the maritime States and British India. This is a problem, which has existed in the past and which has nothing to do with the forthcoming political changes. A change in the constitution involving a federation, involves '*prima facie*' a customs union on the economic side *i. e.* free movement of goods between the various units of the federation without the imposition of import or export duties. This goal as an ideal may or may not be realised in the near future, but the business community is interested in the problem being dealt with on its own merits without bringing in the federation,

In examining this issue, it must be said at once that people in British India do not wish to exploit the people of the States, and equally so, the people of the States cannot possibly desire to secure any unfair advantage from the people in British India. Since the discussion is, however, taking place in terms of administrative units, rather than of peoples, the Indian States appear to the average person in British India as historical survivals with an arrested histroy. While the rest of British India is made up of States that have completely disappeared, these units were allowed to exist and a certain relationship has grown up between them and British India. This relationship has been regarded in the past as indivisible from the political power exercised by the Government of India, but, recently, a new theory is being sought, *viz.* that the relation of the States has been with the Crown and will continue with the Crown. While the Government of every section of His Majesty's Government is carried on in the name of the Crown, it is at the hands of Ministers responsible to the electorate. In the proposed new constitution of India, it is being decided that those, who will administer the powers of the Crown, will be responsible not to the Indian electorate, but to the authorities in England set up by the British electorate. I would not have brought in this political constitutional discussion here, had I not realised that, largely, the difficulties, in a fair settlement between Indian maritime States and British India have been due to this change of angle. History abounds with instances of economic injustice to States in India at the hands of the British Government. While we desire that full justice should be done to their interests, we ask Government in the interests of trade generally and of the people, both of British India and the States, that this question cannot be allowed to drag on year after year unsettled. Commerce in Indian State territories is cut up largely through monopolies at the hands of the States, through rebates on goods not crossing their frontier into British India, and allegations have been made of secret rebate on goods intended for consumers in British India. Indian States have levied heavy tariffs against each

other. The clause permitting manufactures of Indian States to enter British India free of duty has been seriously abused in some cases. The treatment given to imports from, and commerce of, certain States is different from the treatment given to imports from, and commerce of, certain other States. The vagaries and varieties of customs administration in different parts, alleged to be lax in comparison with ports like Bombay and Karachi, have added to the general confusion. It is a state of affairs, which benefits none so far as the business community, both of the States and of British India, is concerned. I say again that we, as a business community do not desire any injustice to be done to any State, but we are interested in a prompt settlement. A settlement would not only remove Viramgam and minor customs barriers but would also remove numerous internal customs lines between various States which obstruct trade at present and divert it to uneconomic channels. The trade pact, for which the Indian commercial community is waiting, is in this direction, and if those, who have shown such a terrific anxiety to foist an Indo-British Pact on us, had turned their mind to this question nearer home, one of the most serious impediments to the recovery and to the reversion to normal trade would have long ago disappeared. I repeat that it is the sincere desire of the commercial community that these matters be taken out from the purview of the Political Department which is prone to sit on them for years and years, and to be handled promptly by the Economic Committee of His Excellency the Viceroy's Council as a business issue of great urgency.

Indo-Burma Trade Pact.

This Chamber has opposed the separation of Burma not through any selfish motives, but because over half a century Burma has formed an integral part of British India and, with the Burmans, Indians have had the closest dealings and intercourse, even closer than between certain provinces of India itself. It has been the Indian view, that the separation is being forced not in the interests of the Burmans, but

in the interests of Britishers, who desire to keep Burma politically backward and economically as a free market to themselves. Burmans themselves have given expression to such views. In this light the proposed Indo-Burma Trade Pact has many sinister implications. I hold that, if Burma is to be separated by main force, the question is, who is to have control over Burma ? If it is the British authority, then an Indo-Burmese Trade Pact would merely be on agreement between the British masters of Burma and a Government of India continuing to remain irresponsible to the Indian people. In that case, it would only mean that such Indian interests as have established themselves in Burma, would be given a semblance of protection and guarantee against Burma's economic aspirations, while the lion's share of Burman exploitation would continue to be kept for the Britishers themselves. I must disclaim the desire of Indian interests to advance in Burma under such conditions. The foundations of lasting goodwill and cordial relations with Burma could only be laid in a freedom to Burman people to develop their own life as they think best, and then to receive from them maximum reciprocal benefits. Such a trade pact could only be negotiated when there is an authority in India responsible to the people and there is, similarly, an authority in Burma responsible to the people there. The sinister implication of any prior trade pact is this, that, if Indian interests are dragged into asking for guarantees and protection of a constitutional nature to be enforced under the reserved powers of the Governor in Burma, how can such guarantees and safeguards asked for by British interests in India be refused ? It is not merely because our interests in Burma are much smaller in volume than similar British interests in this country, but because thing is wrong in principle, that I am referring to this subject and to the peril, which selfish Indian interests in Burma will involve this country, if they repeat the parrot cry of protection, guarantees and safeguards. Prersonally, I have no fear of Indian interests being ill-treated in Burma. India is much larger purchaser of Burmese goods than Burma of Indian goods. This economic relationship will, I expect

continue and I should like to see with Burma, if it is ultimately separated in spite of our protests a much closer economic understanding. The foundations of such understanding are, however, not laid by constitutional restrictions on the new legislatures proposed to be set up in Burma. To ask for facilities for Indian interests is one thing. To impose restrictions on Burman activities with a view to continuance of any privileged position for Indians in Burma is quite another. If I was a Burman, I would fight against this with all the force that I could command. What is important is all these matters is the foundation of an essential justice, rather than the principle of grab and privileged exploitation.

I will now come to the domestic affairs of our Chamber and, in this, I have the sad duty to record the passing way of two of the most eminent men, who made an invaluable contribution towards the life and being of this Chamber. We lost Sir Manmohandas Ramji on 13th August, 1934. He was an old style Shethia in the true sense of the word,—a big man with a vision of the future, and yet a practical man at all stages. He stood by the Chamber till the end even when he differed from the policy, which the Chamber adopted on certain questions. His life will offer a model for younger businessmen and his memory will always evoke respect in the minds of the younger generation, who may hereafter be associated with the Chamber. In Mr. Lalji Naranji, whom we lost on the 16th May 1934, we had the most extraordinary combination of modern business aptitude with personal orthodoxy. As a peacemaker, who could grasp opposite standpoints, he was unrivalled. He rendered great service to this Chamber from time to time. His place will be very difficult to fill. It will be a matter of profound satisfaction that Mr. Lalji Naranji's name will be permanently associated with this Chamber which has become possible through a building, which will be named after him, from the offer of the Lalji Naranji Memorial Committee, which this Chamber has accepted. It is through the large-hearted generosity of Seth Chaturbhuj Gordhandas

that the Lalji Naranji Memorial took the form, which it has taken, and those of you, who will now help in the realisation of this great object, will have the double satisfaction that the memory of a great servant of Indian commerce is going to be preserved for all times, and the Chamber is going to have a location of its own. We all trust that such a location would be in a prominent place and would be in keeping with the great traditions of the Indian business community, whose interests this Chamber has always fought for and has always safeguarded. Large contributions will still be required, and I appeal on this occasion to all members to come to the assistance of the Chamber with a generous contribution towards this very laudable object. On those, who have derived splendour in their public life by association with the Chamber, or by representing this Chamber on the Assembly and on the Council and various public bodies, will rest a special responsibility, and I am sure they will discharge their responsibility in a creditable manner. The benefits of an organization of this kind are not visible. They are not immediate and they are not concrete, but all over the world it is now recognized that the collective voice of commerce, if raised in time, prevents Governments and public authorities from grave errors. Consultation of the commercial opinion has, therefore, become all over the world a regular part of the system of public administration. In India this Chamber was the first to put forward the voice of the people engaged in commerce and I claim that, as time passes, this Chamber is bound to play a still more important role. We want a forum of Indian commerce for all men to meet and exchange views, so that the result of responsible opinion created in this manner and after careful thought and having regard to all facts, could made available to the public for guiding their ideas in proper channels, and to the authorities for preventing them from wrong actions, the evil effects of which cannot be easily put right afterwards. On the Continent of Europe, the most prominent building in the city is the building belonging to the Chamber of Commerce. To my mind, it is the sign of advancing civilization only when public edifices of this kind are more pro-

minent than any private buildings. In India we are not lacking in private wealth or in the magnificence of private homes. The test is, whether we have got enough public spirit to put in such magnificence in public buildings, not set up at the expense of the taxpayer, but brought into being by the voluntary contributions of the people. Such a test has now arisen in the life of this Chamber in its twenty-eighth year, and I am sure there will be ample response for my appeal to you all for a large and generous contribution towards this splendid object.

Mr. Rahimtulla Chinoy, the incoming Vice-President, then spoke as follows :

Mr. President & Gentlemen,

I am much obliged to the members of the Indian Merchant's Chamber for kindly electing me to the Vice-Presidentship of the Chamber. It is an honour I appreciate, and I hope I shall be able during my regime to justify the trust you have placed in me.

The Vice-President of the Chamber, Mr. Manu Subedar, whom I congratulate on his being elected President, has dealt in his speech in his usual manner with some of the vital questions before the country. The Vice-President is not expected to make a long speech, but I should like to say a few words on some of the questions which are of interest to the Commercial Community. I should like in the beginning to protest against the new Government proposals with regard to the Motor Vehicle Taxation. It is true that tolls have always been considered a nuisance and this Chamber itself was against this system. The alternative taxation, however which Government have now proposed is even much worse from the standpoint of trade and industries. The passenger carrying buses and motor trucks will, under the proposals be called upon to bear a disproportionately heavy burden of the taxation. It need not be told to merchants how the trucks and buses have been of immense importance to trade and industry and any proposal to increase the taxation, and that too to such an extent,

will be disapproved. I hope that Government will be able to find a better method to avoid the system of tolls and at the same time to avoid levying such a high taxation on what are rightly called commercial vehicles.

Indians in Zanzibar.

The situation with regard to our countrymen in Zanzibar has been attracting a good deal of attention recently and rightly so as the settlers there who have done their utmost to develop their trade are threatened with what amounts to elimination if the legislation introduced by the Zanzibar Government is allowed to continue without abrogation. The Government of India sent one of their officers, Mr. Mennon, to enquire into the conditions in Zanzibar and his report is a strong indictment of the policy pursued by the Zanzibar Government.

With regard to the Clove Growers' Association Decree and the Clove Exporters' Decree, he definitely says that they are calculated to cause irretrievable damage to Indian interests and will practically oust the Indian traders from Zanzibar. This legislation has established a monopoly in the Clove Trade and the so-called Clove Growers' Association, which will be entirely dominated by British interests, has entered the field of trade in direct competition with and suppression of existing traders.

I am glad that His Excellency the Viceroy said in his speech the other day to the Members of the Central Legislature that the Government of India were at one with Indian people with regard to this question. I am confident that this high sentiment will soon be translated into action. There can be only one solution of this vexed question, namely the abrogation of the entire legislation aimed against Indians.

Shipping and the J. P. C. Report.

I shall refer to the case of one of our greatest national industries, the Indian Shipping, to show to you how the proposed Commercial Safeguards will make it impossible

if not actually give the same an effective setback—to develop our industries in the future. India with one voice and with remarkable unanimity has demanded for years past that Indian Shipping should have its legitimate share in the coastal and overseas trade of the country and should build up an Indian Mercantile Marine worthy of its ancient position in the maritime world. The Government of India have declared in unmistakable language that "they are in full sympathy with the widespread desire that India should possess a merchant fleet of its own," and Lord Irwin, as the Viceroy of India observed in 1928 that it was an ambition worthy of India "that India should have its mercantile marine and that the ships of that mercantile marine should be officered as well as manned by Indians." The policy of Government further found expression in the Legislative Assembly when it was made clear that their objective was to provide for "an adequate participation of Indian shipping in the coastal and overseas trade of India" and "that Government are particularly anxious to facilitate the growth and the expansion of coastal trade of India in so far as that coastal trade is operated by Indian agencies and through the instrumentality of Indian capital." Even after the failure of the Shipping Conference convened by the then Viceroy, Lord Irwin, in 1930, the Government communique issued on the 6th January 1930 clearly stated that "the responsibility will rest with the Government of India of deciding what action should now be taken for the development of an Indian Mercantile Marine. I have referred to these authoritative pronouncements to make it clear beyond any doubt that both the people of this country and Government of India are in agreement as to the necessity and desirability of building up an Indian Merchant Navy.

Now let me examine whether it is possible to achieve this object under the proposed Commercial Safeguards. I may say in passing that I appreciate the recent action of the Commerce Member in affecting an arrangement whereby, I understand, the Small Steamship Companies in the West Coast will be able to exist—I use the word 'exist' advisedly

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because so far as I understand it will not be possible for them to grow and develop. Para 354 of the J. P. C. Report makes it impossible for the future Indian Legislature to pass any enactment which may discriminate against British shipping on the ground of reciprocity. It implies that as there is nothing to prevent Indian-owned companies plying their ships in British waters, there should be no restriction for the British ships to ply in Indian waters. Sir Phiroze Sethna the other day exploded this doctrine of reciprocity at the meeting of the Liberal Federation and very rightly remarked:

> "Is anything more absurd heard of and is not this advice downright hypocracy ? · Would it be possible for us to complete with British-owned ships in European waters? The authors of the Report are fully conversant that for very good reasons it would be next to impossible for us to do so. Reciprocity is mere sham."

These words of the great Liberal leader well express the depth of national feeling on this subject.

There are three recognised ways of developing the national shipping of a country. The most important and the universally recognised policy is to reserve the coastal trade to national shipping. According to the enquiry of the League of Nations, the result of which was published in 1931, 27 out of 32 maritime countries have reserved their coastal trade to their own nationals and the English Conservative Party recently stated that when it got into power, it would reserve their coasting trade to British ships. You are all aware that the Mercantile Marine Committee appointed the Government of India themselves came definitely to the conclusion that the only effective way of building up an Indian Mercantile Marine was "the eventual reservation of the Indian coasting trade for ships, the ownership and the controlling interest of which are predominantly Indian." But suppose a Bill was brought into the Assembly tomorrow for reserving the coastal trade of India to its own nationals and was passed. Would it help Indian shipping at all? I say no, because under paragraph 352 of the J. P. C. Report both the Company incorporated now and hereafter in the

United Kingdom as well as British subjects domiciled in the United Kingdom who are Directors, shareholders, servants or agents of the Company incorporated now or hereafter in India shall be deemed to have complied with all conditions imposed by Indian law upon companies so incorporated relating among other things to the provisions of directors, shareholders, agents or servants, whatever may be the provision of the Act passed by the Indian Legislature under the new dispensation of the J. P. C. Report, namely the proposed Commercial Safeguards British Companies would be construed to have complied with those provisions of the Law *without actually complying with them.* The reservation of the coastal trade would, therefore, not help in the least the development of Indian shipping. This is how the proposed safeguards will militate against the development of an Indian industry.

Another important manner in which the national shipping industry is developed in all maritime countries is the grant of subsidies. Let us suppose, for a moment, that the financial condition of India improves and the Indian Legislature decides to grant subsidy to an Indian Company, to enable it to fight against the unfair competition of the vested shipping companies, will it help in any way in building up an Indian Mercantile Marine ? Again I say no, because under paragraph 356 the British Shipping Companies against whose unfair competition such protection by way of subsidy is given will "be equally eligible to participate in the grant with the Indian companies."

It will now, therefore, be pertinent to enquire of the Governement of India how in the face of the Commercial Safeguards in addition to para 354 of the Report, they would discharge their own responsibility which they have publicly undertaken to promote the development of an Indian Merchant Navy. Let not anyone remind us that some sort of an arrangement was effected a couple of years ago. A ship here and a route there might have been granted, but the net position today is that the position of Indian shipping in the coastal trade has increased by one per cent from 21

to 22, while its position in the Overseas trade is practically nil. It is not the lack of initiative that prevents Indian shipping from going to the Overseas trade, as stated by the Commerce Member in the House, but the real fact is that their hands are fettered and hence they cannot take their share in that trade. Restricted as the activities of Indian shipping are under the present arrangement, it is sad to reflect that the proposed Commercial Safeguards will make it impossible to grow any further and I maintain that the Government owe a duty to the country to tell the public clearly how they propose to carry out their own responsibility and discharge their solemn promise of building up an Indian Merchant Navy both in the coastal and the overseas trade of India.

Budgets & Taxation.

In about a month's time the budgets, both of the Central Government and of the Provincial Government, for the ensuing financial year will be out. After a period of heavy taxation it is but natural that the country is awaiting with eager anticipation "khabar" about proposals for relief in taxation. Requests have been made that the Central Government should now do away with the surcharge on income and supper-tax and also reduce the burden of some of the custom charges and the postal rates. There have been also requests for the reduction in the general surcharge on railway freight as a measure of assistance for trade and industry.

In the sphere of provincial taxation it was also expected that most of the emergency taxation introduced by the Government of Bombay in the year 1932 as a temporary measure would be done away with and that some relief would be afforded to the already over strained taxpaying capacity of the people of the Presidency. At such a time the report that Government intend to extend the operation of these temporary money measures is quite disconcerting. It has always been our experience that measures of taxation, although at the time of introduction are assured to be of a temporary nature, subsequently prove to be a permanent

burden and it is time that our legislators, resisted further attempts at such ostensibly temporary measures. The proposal to continue the enhanced Court Fees, the increased stamp duties, the surcharge on consumption of electrical energy and the revised taxation on Tobacco are all resented by the commercial community. I realise that the Finances of the Presidency have to be balanced but the proper remedy would be a thorough and far-reaching programme of retrenchment and not the kind of cheeseparing which has resulted from the efforts in that direction of the Government of Bombay. If all the recommendations of the Thomas Committee had been given effect to, our finances would have been in a much better position and this annual feature of renewing money bills could have been avoided. A gentleman who was closely associated with commerce is now holding the finance portfolio of the Provincial Government. Will it be too much to hope that as a commercial man he will deal with the problem in a business-like manner making the financial management of the Government a business proposition.

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A general discussion ensued in which the following members participated :

Mr. Jamnadas H. Sanghvi
,, Sarabhai Prataprai
Raja Bahadur Govindlal Shivlal
Mr. K. S. R. Iyer
,, Vallabhdas Ranchhordas
,, Shamji Vallabhji

The Annual report of the Committee and audited statement of accounts were received.

The result of the elections of office-bearers for the year 1935 was recorded.

Proposed by Mr. Sankalchand G. Shah and seconded by Mr. Purshotamdas Popatlal, it was RESOLVED that Messrs. Devidas Vithaldas & Co., be appointed auditors for the year 1935 and that their remuneration be fixed at Rs. 100/-.

The following resolution of the Committee was moved from the Chair :

"The Committee of the Indian Merchants' Chamber RESOLVE that in order to widen the franchise of the Chamber for purposes of elections to the Legislatures the number of representatives from Associations affiliated to the Chamber on the Chamber's Electoral Roll should be increased from one to ten, maximum.

Provided that these ten are members of the Committee of the respective Associations; and that where an Association has got more than ten members on its Committee, the ten representatives to the Chamber should be selected by it from among members of its Committee.

These ten will be there only for purposes of elections to the legislatures while the Association will, as now, be represented for all other purposes of the Chamber, by one representative, who will be one of the ten named by the particular Association."

Raja Bahadur Govindlal Shivlal moved the following amendment to the same that

"With a view to secure a healthy and adequate enlargement of the Indian Commerce constituency, this Chamber is of opinion that the franchise for the Indian legislatures of the Indian Commerce Constituency should, besides the members of this Chamber, be extended on the analogy of the Madras Rule, to all Indian businessmen, firms, and companies which are assessed to imcome-tax of not less than ten thousand rupees in a year."

Prof. S. R. Daver opposed the amendment and spoke supporting the resolution of the Committee.

Mr. Sarabhai Prataprai moved that the meeting be adjourned and the same was seconded by Mr. M. L. Dahanukar.

The President after ascertaining the sense of the meeting adjourned the same to Saturday, the 2nd March 1935 at 3-0 p. m.

A vote of thanks to the Chair was moved by Raja Bahadur Govindlal Shivlal and passed with acclamation.

REPORT OF THE COMMITTEE

OF

THE INDIAN MERCHANTS' CHAMBER

For the year 1934 presented to the Annual General Meeting of the Chamber held on 2nd February 1935.

Your Committee have pleasure in presenting the 27th Annual Report of your Chamber. During the course of the year 52 Committee Meetings were held, the work done being of a varied and important nature.

The principal subjects dealt with by your Committee related to the following main heads :—

(1) Transport and Communications, (2) Finance, Tariff and Taxation, (3) Trade, Industrial and Labour Legislation, (4) General Trade and Industry and (5) General.

I. TRANSPORT AND COMMUNICATIONS.

Grievances of small Indian Shipping Companies re: the coastal traffic.

At the request of the President of the Small Steamship Companies Association, Bombay, the Committee again represented to the Government of India the serious handicaps under which the small steamship companies were labouring for some time past, and particularly for the last two years, on account of the cut-throat competition carried on by foreign shipping interests against them. The Committee observed that they had addressed Government as far back as October 1933 regarding this matter, but regretted to note that so far Government had not thought it advisable to do anything to ameliorate the situation. They reminded Government of the assurance that His Excellency the Viceroy had given to the deputation of Indian Ship Owners in October 1932 that if the freight war waged against the small Indian shipping companies was not stopped and if they were not taken into Conference by the larger shipping companies plying on the coasts, steps would be taken to call a Conference of all interests concerned, so that the small Indian shipping companies might form part of the Conference and live and grow as an integral part of the Indian Mercantile Marine. The Committee informed Government that so far the small companies had not been able to get into the Conference. On the contrary, they were encountering much more severe competition from the bigger lines. They therefore urged the necessity to move in this direction immediately. The Committee also referred to the question of Indian shipping companies participating in the coastal trade with adequate tonnage on which point repeated assurances had been given by Government. The Committee observed that in recent times there had been an increase of about 80,000 tons in the non-Indian tonnage while there had been no corresponding increase in the tonnage of the small Indian shipping Companies. The main reason for such an unfortunate position

appeared to be the insistence on the part of the bigger lines that no negotiations would be started for admission into Conference of the small Indian shipping companies unless the latter restricted the volume of their tonnage to the present capacity. In view of all these vital questions seriously affecting the very existence of the small Indian shipping concerns, the Committee urged the Government of India to convene the promised Conference without any further delay and see the pledges and assurances given to these small shipping companies were fulfilled, in letter and spirit, before Indian interests were seriously crippled.

Restrictions on Transhipments by Country Crafts.

Under the Customs regulations transhipment by country crafts or steamers of goods liable to import duty and destined for any Customs port in the Presidency other than Bombay and Karachi, is prohibited and transhipment to ports in Kathiawar is permitted only by steamers. The attention of the Committee was drawn to the hardship caused to merchants by these restrictions, and they requested the Collector of Customs, Bombay to let them know the practical difficulties in allowing such transhipments, and the reasons for the restrictions. They were, in reply, informed that the restrictions were imposed under the authority of the Government of India and were longstanding. The Committee thereupon addressed a letter to the Government of India pointing out the difficulties caused by the restrictions and their effects on the country craft trade.

Indian Merchant Shipping (Load Line) Rules, 1934.

The views of the Committee were invited by the Principal Officer, Mercantile Marine Department, Bombay District, on certain rules proposed to be made under Section 219 of the Indian Merchant Shipping Act, 1923, in regard to assignment of load line.

In expressing their views the Committee informed the Officer that they had no objection to the proposed rules. They, however, observed that the tropical period in the Bay

of Bengal and the Arabian Sea had been considerably reduced under the proposed rules. They were of opinion that there was no sufficient justification for the reduction in the period in the two areas referred, and trusted that Government would, as desired by the Shipowners of the several countries at the Conference of International Load Line, 1929, give a definite assurance that they would carefully study the meteorological date of the Bay of Bengal and the Arabian Sea with a view to revise the tropical period in near future.

Indian Merchant Shipping (Safe Convention Certificate) Rules, 1934 :

The views of the Committee were invited by the Principal Officer, Mercantile Marine Department, Bombay District, on certain rules proposed to be made under Section 245 (j) of the Indian Merchant Shipping Act, 1923, relating to the grant of Safety Convention Certificates.

The Committee informed the Principal Officer that they had no remarks to offer on the same.

Indian Merchant Shipping (Distress Message and Navigational Warnings) Rules, 1934.

The views of the Committee were invited by the Principal Officer, Mercantile Marine Department, Bombay District, on certain rules proposed to be made under Section 191 (1) of the Indian Merchant Shipping Act 1923 in regard to the use of Distress Message and Navigational warnings.

The Committee in expressing their views informed the Officer that they had no objection to the proposed rules provided they did not conflict either with the rules of the latest International Radio Telegraph Convention or with the rules of International Convention for the Safety of Life at Sea, 1929.

Indian Merchant Shipping (Timber Cargo) Rules, 1934.

The views of the Committee were invited by the Principal Officer, Mercantile Marine Department, Bombay District,

on certain rules proposed to be made under Section 224 (m) (4) of the Indian Merchant Shipping Act, 1923, for carriage of timber cargo.

The Committee in reply informed that they had no views to offer on the above rules.

Indian Merchant Shipping (Life Saving Appliances) Rules 1934.

The views of the Committee were invited by the Principal Officer, Mercantile Marine Department, Bombay District, on certain rules proposed to be made under Section 191 (1) of the Indian Merchant Shipping Act, 1923 in regard to provision of Life Saving Appliances.

The Committee in forwarding their views observed that it was essential that schedule voyages as mentioned in the Notification (Commerce Deapartment) No. 55-M-1/29 dated 27th April 1929 and subsequently amended, should be included under class 9, although ships performing some of these voyages do go more than five miles from the nearest land. In case Burma was separated from India, steamers classed 6 and 7 will no longer be included in those categories, but might be classed as class 1, 2, 3, 4, or 5. In view of the passenger steamers, specially built for this trade and plying on that run for years past, the mere accident of the separation of Burma from India should not become an occasion to impose upon those ships new burdens by way of meeting the requirements of these Rules for the carriage of Life Saving Appliances. As regards obligation to carry approved type of line throwing appliances, as there were no shore stations established for the use thereof in India and Burma the carriage of such appliances would be of no use inasmuch as they could not be used. It should be obligatory only on ships of class 1.

As regards rule 43 re: Certificated Lifeboatmen, the Committee observed that unless Government provided necessary facilities for training Lascars as Certficated Lifeboatmen, they could not approve of the provision of the rule as it stood.

With regard to rule 43 (5) relating to equivalents and exemptions, the Committee were of the opinion that it would be reasonable to exempt all ships, the keel of which was laid before the 1st July 1933 from the application of this rule.

Indian Merchant Shipping (Fire Appliances) Rules, 1934.

The views of the Committee were invited by the Mercantile Marine Officer, Bombay District, on the draft Rules under the Indian Merchant Shipping Act re: the provision of Fire Extinguishing Appliances on ships. While generally approving of the same, they added that they should be made applicable only to ships whose keel was laid on or after July 1933, and that there should also be a provision in the same to exempt small passenger ships built for certain services such as Bombay-Goa, Bombay-Tuticorin from the strict application of these Rules as they would be running more or less in sheltered waters.

ndian Merchant Shipping (Control of Water-tight Opening) Rules, 1934.

The views of the Committee were invited on the draft Rules in regard to control of Water-tight openings framed under the Merchant Shipping Act. These Rules were framed in accordance with the principle accepted in the International Convention for the Safety of Life at Sea and the Committee approved of the same.

Rules under the Indian Merchant Shipping Act.

The Government of India through the Government of Bombay invited the views of the Committee on certain draft amendments to the Rules under the Indian Merchant Shipping Act. The Rules in question related to the provision of medical facilities on board ship etc. The Committee after consulting members interested in the same, informed the Government that they had no objection to the amendments.

Indian Pilgrimship Rules.

The Mercantile Marine Department, Bombay, invited the views of the Committee on the draft amendments to the Indian Pilgrimship Rules. They related particularly to rations, etc. on Pilgrimships.

The Committee generally approved of the amendments.

Revision of the scale of provisions supplied to Lascar Seamen on board foreign going ships.

The views of the Committee were invited by the Government of India regarding the proposed revision of the scale of provisions supplied to Lascar Seamen on board foreign going ships. The Committee in expressing their views agreed with the underlying object of the proposed alteration in the dietary for Lascar Seamen in the light of modern knowledge, so that it might afford them a greater degree of immunity from Beri-Beri than the existing dietary did.

Coming to the various suggestions, the Committee approved of the proposed increase in the ration of milk. As regards 'atta,' the Committee stated that it did not keep well for a long time unless it was properly packed. So far as coasting traffic was concerned, 'atta' was purchased at different ports, but the suggestion of using a grinding machine for making 'atta' on a longer voyage might be adopted. In conclusion, the Committee expressed the hope that no changes in the scale of provisions which might impose unduly greater burden on shipping which was passing through an unprecedented depression would be made at this stage.

Chamber's representative on the governing body of the I. M. M. T. S. "Dufferin."

As the term of office of the sitting representative of the Chamber on the Governing body of the I. M. M. T. S. "Dufferin" expired in April 1934, the committee re-nominated Mr. M. A. Master as the Chamber's representative for a further term of two years.

Bombay Port Trust Bye-Election.

During the temporary absence on leave abroad of Mr. Gordhandas G. Morarji and Mr. A. D. Shroff, Mr. Vithaldas Damodar Govindji and Mr. Behram N. Karanjia represented the Chamber on the Board of the Bombay Port Trust from the piecegoods and general sections respectively.

The Statutory Railway Board.

The Committee addressed the Government of India in regard to the "sketch proposals" for the future administration of Indian Railways, contained in the Report of the Committee appointed by the Secretary of State for India in London.

In the first place the Committee expressed their grave apprehensions to the whole project. They could not understand the reason why the present moment was selected, before the new Federal Government was established, to set up a Statutory Authority which would to all appearances not be amenable to the Indian Legislature, nor would be under the control of the Federal Government of India. Coming to the actual proposals the Committee were emphatically of opinion that the matter should be left entirely to the new Indian Legislature. They were opposed to the establishment of a Statutory Railway Authority till the constitutional changes establishing responsibility to the Legislature had been passed. With regard to the fetish being made by the London Committee of the so-called political interference, in regard to railway administration and affairs by the Indian Legislature, the Committee observed that interference on the part of the Secretary of State would be "political interference" of a very grave and serious character, as it would tend to continue the management of railways as they were at present, in the interests more of others than those of this country. With regard to paragraph 7 of the London Committee Report which observed that the annual estimates would be submitted to the Federal Legislature but would not be subject to vote, the Committee were emphatically of

opinion that such a proposal was nothing else but a travesty of constitutional Government. They were also of opinion that the Railway Budget should be within the purview of the Indian Legislature. With regard to the constitution of the proposed Railway Authority consisting of 7 members, the Committee opined that all the members should be appointed by the Governor-General in Council on the advice of the Federal Government. They were further of opinion that the Railway Authority should not be allowed to perpetuate the false and harmful policy that the present Railway Board had been following in regard to Indian trade commerce and industry and to safeguard against that, the Railway Authority should be under a Minister responsible to the Indian Federal Legislature. The Committee in conclusion hoped that suitable legislation for the purpose would be introduced in the new Federal Parliament and that all the responsible Indian commercial and industrial opinion would be fully consulted about the various suggestions and proposals to be placed on the Statute Book.

Railway Risk Note Form.

The attention of the Committee was drawn to a resolution passed at the last session of the Associated Chambers of Commerce on the subject of Railway Risk Notes. The Committee in supporting the resolution urged upon the Government of India to review the terms of the Risk Notes and to lay upon the Railway administrations the burden of proof that in cases of damage or loss the same was not due to the negligence of railway servants; to ensure that liability was not repudiated by the Railway Company on the strength of endorsement of Risk Notes at the time of despatch and generally to incorporate the principle that the Railways should be under an obligation to give delivery of consignments in the same good order and condition in which they were tendered for despatch.

The Committee also pointed out that the grievances of the mercantile community in regard to this matter were of long standing. Time and again representations had been made to the authorities about the defects and abuses of the

Risk Notes in the forms in which they were framed now. They therefore, very strongly supported the plea put forward by the Associated Chambers of Commerce for an examination of the question and an early revision of the Railway Risk Notes.

The Committee were informed in reply that the Board had issued instructions to the various railway administrations to make a periodical examination as to whether Risk Notes Form "A" was being demanded without sufficient cause, to consider what other action might suitably be taken to ensure that the Risk Note was not remanded without sufficient cause, and to review the policy which was adopted in dealing with claims on traffic carried under Risk Note Form "A" i.e. whether such claims were repudiated automatically or whether enquiries were made to ascertain if the loss or damage complained of was actually due to the inadequacy of the packing as described in the risk note. The Railway Board added that beyond that they were not prepared to take any action in the matter at the moment.

Bombay-Sind Railway.

The views of the Committee were invited by the B. B. and C. I. Railway on the proposal before the Railway Board re: connecting Bombay with Sind by a direct broad gauge railway. The Railway was estimated to cost six crores of rupees, and the opinion of the Chamber was requested particularly (1) whether the expenditure of such a sum was justified, (2) whether the new line was likely to secure the bulk of the Sukkur Barrage traffic between Sind, Bombay and Gujerat and (3) whether the newline was likely to capture any portion of the sea traffic from Karachi to Bombay and Gujerat. The Committee in reply pointed out that (1) in the absence of necessary data they are not in a position to say whether the expenditure would be justified, (2) that the bulk of the Bombay trade would not go by the new line owing to the sea-route being cheaper and that (3) a portion of the trade relating to Ahmedabad and surrounding districts would most likely go by the new line and that the

new line was likely to capture the Gujerat traffic to some extent and that it would affect the trade territories served by Bombay. In conclusion the Committee pointed out that such a line would accentuate the question of diversion of the trade of Bombay while not benefitting her in any way at all.

Representative of the Chamber on the G. I. P. Rly., Local Advisory Committee.

The term of office of the representative of the Chamber on the G. I. P. Rly., Local Advisory Committee having expired with the meeting on the 3rd May 1934, the Committee were asked to nominate a new representative for a period of two years ending June 1936. Mr. Gordhandas G. Morarji, the sitting representative was re-nominated for the further period. During his temporary absence in Europe Mr. Subedar represented the Chamber.

Difficulties of passengers at Vangaom on the B. B. & C. I. Railway.

The attention of the Committee was drawn by a member to the lack of facilities for passengers to entrain and detrain at Vangaom station in the absence of a suitable platform. It was pointed out that Vangaom was the centre for chilly trade and had to be visited frequently by merchants interested in the trade from Bombay.

The Committee thereupon requested their representative on the Local Advisory Committee of the B. B. & C. I Railway to take up the matter with that body.

Amalgamation of the 1st and 2nd Class compartments into one Upper Class.

The attention of the Committee was drawn to the proposal before the G. I. P. Rly., Local Advisory Committee for the amalgamation of the 1st and 2nd Class compartments into one Upper Class, or alternatively to reduce the First Calss fares and to increase the 2nd Class fares.

The Committee through their respresentative on the Advisory Committee opposed the proposal for such amalgamation and added that they would not favour a reduction in the first class fares unless a corresponding reduction in the second class fares was also made. If the reduction in the second class fares was not feasible, they were opposed to the reduction in the first class fares.

They emphatically opposed any proposal for increase in the second and third class fares.

Disparity in Railway freight on tobacco between Guntur to Shalimar and Guntur to Andheri.

The attention of the Committee was drawn to the disparity in Railway freight on tabacco as between Guntur to Shalimar and Guntur to Andheri. They thereupon addressed the authorities of the G. I. P. and N. G. S. Railways pointing out that Guntur to Shalimar was a distance of 784 miles and the Railway freight on tobacco for the same was Rs. 1-7-4 per maund, while from Guntur to Andheri, a distance of about 850 miles, the rate payable was Rs. 2-8-9 per maund. Thus for a difference in mileage of just over 100 miles the freight rate was nearly 70% higher. The Committee felt that there was no justification for such a disparity, and that such a position had put an avoidable handicap on cigarette factories in Bombay in competition with factories established in other places.

They urged, therefore, that a reduction in freight for Andheri as compared with the rate for Shalimar should be made, and also suggested that the G. I. P. and N. G. S. Railways, should try to attract a larger volume of tobacco traffic on their own lines.

Concession rates for gram coming from Northern India to Surat on the B. B. & C. I. Railway Line.

The attention of the Committee was drawn to the fact that there was a general concession given to gram flour coming from Northern India on the B. B . & C. I. Railway Line. Some merchants from Surat had asked for similar

concession for gram coming from Northern India, which was used by them in flour mills in Surat.

The Committee thereupon requested their representative on the Local Advisory Committee of the B. B. & C. I. Railway to press for a similar concession in freight for gram coming from Northern India on that line.

Certain facilities from the G. I. P. Railway to the sugar trade.

The Committee were requested by the Sugar Merchants Association to support its representation to the G. I. P. Railway authorities re : certain facilities asked for by the Bombay sugar trade. The Association pointed out that the time limit allowed for disposal of their goods by the G. I. P. Railway authorities, viz., 24 hours, was too short, while the B. B. & C. I. Railway, allowed 72 hours for the same. The Association therefore pressed for the introduction of 72 hours' time limit for disposal instead of the present time limit of 24 hours.

The second convenience asked for was that special godown should be set apart for sugar trade in view of the daily increasing trade in sugar. The Committee after considering these requests of the Sugar Merchants' Association requested their representative on the Local Advisory Committee of the G. I. P. Railway, to take up the matter with the Advisory Committee.

Increase in freight on coal from the Central Provinces collieries over the G. I. P. Railways :

The Committee in addressing the Railway Board in regard to the recent increase in the railway freight on C. P. coal over the G. I. P. Railway, regretted to observe that the Railway Board had thought it proper to increase the freight on C. P. coal, when the coal industry in the country in general was passing through very critical times and had been asking for an alround reduction in the railway freight on coal. They pointed out that the existing 15 per cent. surtax was in itself a great burden on the industry and the recent increase in freight on C. P. coal on the top of this and

the general depression, would seriously injure the interests of the C. P. coal industry. The Committee failed to understand the reason why such an increase was sanctioned. Perhaps, it might be that the Railway Board has sanctioned the same in response to representations made by the Bengal coal interests sometime back in regard to the disparity in freight on Bengal coal and the C. P. coal over the G. I. P. Railway. They, however, submitted that the claim of the Bengal coal interests could have very well been satisfied by effecting an alround reduction in freight on coal over all the railways, including the E. I. and the B. N. Railways, which mainly served the Bengal collieries. It was such an alround reduction in freight that was required and not any increase therein in any section. The Committee therefore reiterated their demand for an alround reduction in freight on coal over all the Railways.

The Railway Board in reply pointed out that the scale of rates over the G. I. P. Rly., was raised to the minimum prescribed by the Rules and after carefull consideration in consultation with the interests concerned, Government were satisfied that the old scale which was below the minimum was not justified. They added that an all round reduction in coal freight was at the moment not feasible.

Reduction in Freight on Foundary Moulding Sand from Londa to Satara :

The Committee were approached by Messrs. Cooper Engineering Works, Ltd., Satara, in regard to their request to the M. & S. M. Rly., for reduction in freight rate on foundry moulding sand from Londa to Satara Road. It was pointed out that freight rate on foundry moulding sand from Londa to Bombay had recently been reduced to As. 5–2 per maund while the rate per maund of foundry moulding sand from London to Satara, a distance of about 199 miles, was As. 4–2. The distance from Satara Road to Bombay was about 197 miles including one transhipment. The

Cooper Engineering Works therefore urged for a corresponding reduction in freight rate on foundry moulding sand from Londa to Satara.

In this connection, the Committee approached the Maharashtra Chamber of Commerce with a request to instruct their representative on the Advisory Committee of the M. & S. M. Rly., to take up the matter there.

Railway freight on cotton seeds and cotton oil.

The Indian Cotton Oil Mill, Navsari, forwarded to the Committee a case, which they had submitted to the G. I. P. and the B. B. & C. I. Railways, for the reduction of railway freight on cotton seeds and cotton oil. The Committee recommended that their representatives on the G. I. P. and the B. B. & C. I. Railways Advisory Committees should support the same when the matter came before the respective bodies.

Classification of Glabuer's Salt and Paperware, N. O. C.

The views of the Committee were invited by the Indian Railway Conference Association re: classification of Glauber's Salt and Paperware, N. O. C.

With regard to item (1), it was stated that price of Glauber's Salt was lower than that of Epsom Salt, the classification of which had been reduced to I. R. R., while Glauber's Salt was still classified 3 R. R. and 2 O. R. It was therefore proposed to re-classify Glauber's Salt on the same basis as Epsom Salt.

With regard to item (2), it was proposed that a new entry should be introduced in the General Classification of Goods for Paperware, N. O. C. 4 R. R. which would leave no doubt as to the correct classification for such articles, as paper cups, dishes, etc.

The Committee in reply informed the Association that they approved of the proposal with regard to item (1), and with regard to (2) they had no views to offer.

Reference from the Indian Railway Conference Association re : classification of aluminium foil.

The views of the Committee were invited by the Indian Railway Conference Association in regard to the proposed separate classification of aluminium foil at 6 R. R. and 4 O. R. It was pointed out that at present there was no separate classification for the same, and that it was being classified by the G. I. P. and M. & S. M. Rys. as tin foil and by certain other railways under different classifications. The Committee in expressing their views observed that while they agreed to the proposal for a separate classification, they were opposed to the rates being fixed at 6 R. R. and 4 O. R. They added that aluminium foil was used by such nascent industries as soap, cigarettes, chocolates, etc. Some of these industries were experiencing keen competition from Japan and other foreign countries. Any additional burden, the Committee observed, by way of increased railway freight would, therefore, add to their present difficulties. The Committee, therefore, suggested that the aluminium foil should be separately classified at 4 R. R. and 2 O. R.

References for Classification from the Indian Railway Conference Association re : (a) Chalk (b) Brassware, and (c) Hardened Fish Oil.

The views of the Committee were invited by the Indian Railway Conference Association in connection with Chalk, Brassware and Hardened Fish Oil.

With regard to Item No. (1) it was pointed out that as some difficulties in connection with consignments of refined powdered chalk mainly used in the preparation of Tooth paste, powder, etc., were experienced, some change in the classification of chalk was necessary. The price of refined powdered chalk ruled somewhere about Rs. 10/8 per maund as against Rs. 1/12 per maund of ordinary chalk. On account of the great difference in the prices, the suggestion was

that it should be placed on a higher classification than ordinary chalk. The classification suggested was as follows :—

Chalk, Undressed	1 R. R.
Chalk, French	4 R. R.
Chalk precipitated—(refined & Powdered).	6 R. R.

The Committee after carefully considering the suggestions felt that the effect of such a change would be detrimental to the indigenous Tooth paste industry which had been recently started in the country. They were therefore strongly opposed to the proposed new classification. With regard to Item No. 2 it was pointed out that there were at present five classifications, viz.:—

Brass Idols	9 R. R.
Brass Manufactured N. O. C. ..	4 R. R.
Brass, Ornamental	9 R. R.
Brass Cooking Utensils	4 R. R.
Brass Fancyware..	9 R. R.

As doubts had frequently arisen as to the precise meaning of the term "Brass Ornamental" and disputes were very frequent as to the heading under which different descriptions of Brassware were chargeable, certain amendments in the classification were suggested.

The Committee after consulting some merchant interested in the trade informed the Indian Railway Conference Association that there should be only two sorts of classifications, (1) Brass and Brassware, which should include Fancy and Colouredware, etc., and (2) Brass Utensils and both should be classified under 4 R. R.

With regard to the last item, the suggestion was that Fish Oil, whether of whale or any other fish, hardened should be classified 6 R. R. or 4 O. R. and the present entry "oils, solidified, whale" be deleted. The Committee informed the Indian Railway Conference Association that they had no objection to the same.

Railway classification of cotton waste and sweepings.

The Indian Railway Conference Association invited the views of the Committee on the proposal to amend the definition of cotton waste and cotton mill sweepings. The definitions, existing as well as proposed, are given below:

PRESENT.

S/19. Cotton waste, soft, is cotton rejected in the process of manufacture which can be used again as raw material only when blended with good raw cotton.

S/20. Cotton Mill sweepings is mixed short and broken lint, leaf, sand, dust and broken cotton seeds, etc., separated from cotton in the process of manufacture and which cannot be further used as raw material (even by blending with other qualities) in either a cotton mill or a cotton waste mill.

PROPOSED.

Cotton waste, soft is clean cotton (i.e., free from foreign matter such as leaf, sand, dust, broken cotton seeds, etc.) rejected in the process of manufacture.

Cotton Mill sweepings is short and broken lint mixed with foreign material such as leaf, sand, dust, broken cotton seeds, etc., separated from cotton in the process of manufacture.

The change, it was claimed, was intended to make the classifications, clear. The Committee, therefore, approved of the same.

Railway freight for Coloured Cement.

The Commercial Committee of the Indian Railway Conference Association invited the views of the Chamber on the proposal to have a new freight classification for Coloured Cement. Under the existing classification Coloured Cement was treated and charged as ordinary cement; but in view of the fact that the price of the coloured cement was

much higher than that of cement, certain Railway Administrations felt that a higher charge for the former would be justifiable. After consulting the cement manufacturers, the Committee expressed themselves against the higher classification, as only very small quantities of coloured cement was being used.

Freight on Silica Sand.

The Indian Railway Conference Association invited the views of the Committee on the proposal emanating from the G. I. P. Railway that Silica Sand which was higher in value than ordinary sand should be placed under a freight classification higher than that for ordinary sand. The Committee in opposing the proposal pointed out that Silica sand was being used as a raw-material in some of the industries particularly glassmaking industry and that the condition of that industry was such as would not justify any increase in its cost of production. They therefore opposed the proposal and suggested that Silica sand should continue to be classified as ordinary sand for freight purposes.

Interview with the Railway Commissioners.

The Committee had an interview with Sir Guthrie Russel and Mr. P. R. Rao the Chief Commissioner and the Financial Commissioner of Railways respectively on the 20th September when the following questions were discussed.

1. Revision of the Railway Risk Note Forms.
2. Railway rates and fares.
3. Mileage coupon tickets.
4. General classification of goods.
5. Bombay-Sind Railway.
6. Railway Capital Programme.
7. Economies in the working recommended by the Pope Committee.

A detailed summary of the discussion was published in the news-papers.

Closer Contact Committee.

With a view to establishing better and closer contact between the railways and the trade, a Committee called the Closer Contact Committee has been organised. For this purpose the trade Associations in the City have been divided into various groups, each group representing more or less associations of kindred trades or having similar objects. The agents of the G. I. P. and B. B . & C. I. Rlys., meet periodically the representatives of each group and discuss problems affecting thair trade. The Indian Merchants Chamber is in Group I consisting of the Bombay Chamber of Commerce, Presidency Trade Association, Bombay Bullion Exchange, Ltd., Marwari Chamber of Commerce, Deccan Merchants Association, Memon Chamber of Commerce, and Bombay Shroff Association.

The office of the Chamber is the office of this Group No. 1. The arrangement is that members of the Group meet previously by themselves and formulate points for discussion with the railway agents. Then these points are forwarded to the Railway authorities and a formal meeting with the Railway agents and the representatives of the associations in the Group is arranged. There have been two such meetings of Group during the year and Mr. Manu Subedar represented the Chamber at these meetings. It is to be hoped that such consultations and contact will help in the railways understanding the points of view of the trade and attending to their grievances and complaints promptly and satisfactorily.

Representative of the Chamber on the B. B. & C. I. Rly., Local Advisory Committee.

Mr. R. P. Masani was elected as the representative of the Chamber on the B. B. & C. I. Rly., Local Advisory Committee for two years from November 1932. His term of office having expired with November 1934, the Committee re-nominated him for a further term of two years.

Mileage Coupon Tickets for Commercial Travellers.

In an earlier paragraph, it was mentioned that the Committee at their interview with the Chief Commissioner of Railways, had suggested the desirability of re-introducing the system of mileage coupon tickets for commercial travellers over the G. I. P. and the B. B. & C. I. Railways. It was then, in reply, pointed out, that the system, while in force, was much abused and that if a scheme which would prevent such misuses was devised, the re-introduction of the system would be recommended.

The Committee addressed a communication to the Railway Board reiterating the demand for this facility and suggesting that the Railways might introduce adequate safeguards to prevent misuse. They added that if it was considered not feasible to review the system in its former form, it might at least be made available to members of recognised Chambers of Commerce and commercial Associations, on production of crtificates signed by Secretaries of such organisations to the effect that the parties could be trusted to use the books for *bona fide* commercial purposes.

The timing of Punjab Mail at Bareilli.

It was pointed out to the Committee that the timing at Bareilli of the connecting trains to the Punjab Mail on the Bareilli-Lucknow section was not satisfactory and that people from Bombay going to Lucknow or vice versa were very much inconvenienced by the absence of suitable connecting trains. Certain suggestions in regard to change in the timings of the existing services were received and the Committee passed the same on to their representatives on the G. I. P. Railway, Local Advisory Committee with a view to securing suitable changes in the timings.

Aerodrome within the Municipal limits of the City.

The Indian Roads and Transport Development Association, Ltd., invited the Committee to join them in convening a public meeting of the citizens of Bombay through the Sheriff of Bombay with a view to urge upon the Govern-

ment and the Government of India the necessity for an aerodrome being established within the Municipal limits of the City. The Committee in reply observed that in the absence of full details regarding the scheme and the implication of setting up an aerodrome within the City, they were unable to express any opinion on the proposal or join in the convening of a meeting. They, however, added that if at a later stage such details were made available, they would be prepared to go into the question.

Introduction of Five Letter Code System in Inland Telegrams.

The views of the Committee were invited by the Director General of Posts and Telegraphs on the question of adopting five letter code system in inland telegrams in the place of the existing ten letter codes.

The Committee in expressing their views observed that when the question of adopting five letter code system for international telegraph purposes was to be discussed at the Madrid Conference, the Indian National Committee of the International Chamber of Commerce consulted commercial opinion in the country. The Committee had at that time expressed the opinion that a single five letter system should only be introduced if the charges were reduced by half. The Committee were opposed to the introduction of five letter code system for inland telegrams as it should be costly and inconvenient. They had considered the advantages enumerated by the Director General of Posts and Telegraphs in his letter. The Committee, however, felt that they were not such as to outweight the disadvantages such as increased cost and inconvenience. They therefore opposed the proposed system of introducing five letter codes for inland telegrams.

Proposal to increase the rates for inland press messages.

The Committee were approached by the Indian Journalists Association, Calcutta, to protest against the proposal of the Government of India to increase the rates for inland press message. The Committee in addressing Government

in the matter observed that the proposed enhancement was uncalled for and they were not satisfied that there were just and valid financial grounds for the same at that stage. In India the press message service was very meagre and compared poorly with that in Western countries and any enhancement in the existing rates for press messages would further lessen the already meagre service, let alone the development of the same which was so very essential for the education of the masses in the country. They therefore strongly opposed the proposal.

Levy of Warehousing Charges on Foreign Parcels.

The Postal authorities imposed from August 1934 a warehousing charge of As. 2/- per day on foreign parcels which were not taken delivery of within 10 days from the day notice was given of its arrival. Parcels which were detained under Postal regulations for settlement of disputes in regard to the amount of duty assessable on the same also came in for such a warehousing charge. The Committee felt that the inclusion of parcels of this category, which on many occasions were detained for no fault of the addresses, in the proposal for a warehousing levy, was not fair. They therefore addressed a communication to the Director General of Posts and Telegraphs suggesting that the proposal for warehousing charges should not cover the period of detention necessitated by doubts in regard to the amount of duty payable on such parcels.

II FINANCE, TARIFF AND TAXATION.

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Budget proposals of the Government of India for the year 1934-35.

The Committee issued a press note on the budget proposals of the Government of India for the year 1934-35 expressing their views on the various proposals contained in the budget. In the first place the Committee strongly protested against the proposed levy of Excise duty on sugar on the principle that all taxes on production were objectionable. They observed that the proposed Excise duty would handicap the nascent industry of sugar manufacture and would undermine the confidence and security of investors in industrial enterprise.

The Committee next referred to the present efforts of Government retrenchment which they characterised as un-businesslike, because in their opinion the expenditure had not been brought down concurrently with the fall in revenue. There was room for further retrenchment, in the opinion of the Committee, in the military budget, and public opinion in India could not be reconciled to the statement of the Finance Member that the military budget could not be reduced any further, and might increase in future. They suggested that the proposal for the Excise duty on sugar should be dropped and the amount be made up by further retrenchment in the Military and Civil departments.

The Committee regretted the omission in the Finance Member's statement of an important factor on the reduction of the Customs Revenue, a factor which threatened to make further inroads on the Customs revenue. This was due, in the opinion of the Committee, to the diversion of trade from Bombay to Kathiawar ports generally and primarily to Bhavnagar. The Committee urged that the financial aspects of this position should be put before the Legislature frankly and Government should indicate what steps they were going to take to prevent further deterioration in the Customs Revenue from this source.

With regard to the proposal of the Finance Member to relief being given to the finances of Bengal, Bihar and Burma, the Committee pointed out that grave injustice was being done in omitting any relief to Bombay, which was long overdue. Heavy new taxes had been imposed in Bombay during the last few years and there was going to be a loss to the Government of Bombay in respect of Town Duty on Cotton if this was removed. The Committee impressed on Government the fairness of the claim of Bombay which was heavily penalised by the Meston Settlement. If that settlement was being modified piecemeal for the benefit of other provinces, some emergency relief to Bombay should also be indicated.

The Committee regretted the proposal of the Finance Member to levy an Excise duty of Rs. 2/4/- on Matches produced in India. They were strongly opposed to the same because matches were articles of necessity, and if the duty was going to raise the prices as it had already done, the levy of Excise duty as proposed would; apart from hindering the growth and progress of the indigenous match industry, constitute a great burden on the poor masses of the country.

The Committee were also opposed to the proposed increase in the rate for Book-Post and characterised the same as a tax on knowledge. The Committee also pressed for reduction in the rate for postcards. They were of opinion that there was considerable room for economy in the management of Posts and Telegraphs Department which must be run on strictly commercial lines enabling Government to reinstate the old postal rates for letters, postcards, etc.

Interview with Dr. Bowley and Mr. Robertson, Government of India Economic Survey Experts.

special sub-Committee had an interview with Dr. Bowley and Mr. H. D. Robertson, the Government of India Economic Survey Experts on Tuesday, the 12th February 1934. The following were the terms of reference to the Economic experts :

"With a view to facilitating the further study of the economic problems of India to report on the existing organisation and range of statistical and other information bearing on the economic condition of India with special reference to the gaps which exist at present and the means of filling them. In particular.

(i) to make recommendations as to the organisation of a central Statistical Department which in addition to the collection of statistics can co-ordinate statistical enquiry and information for the whole of India,

(ii) to consider the practicability and scopes of a census of production,

(iii) to consider the materials obtainable for measurement of national income and national wealth,

(iv) to make recommendations as to the initiation or continuation of series of index numbers of prices, wages, production, etc.

As it was desirable that the collection of the information referred to under 1, shoyld be as far as possible designed to serve as a guide to practical policy the main problems which arises in regard to the full utilisation of India's economic resources should be formulated."

A general discussion ensued on the above terms of reference in which various members of the special sub-Committee took part and offered some suggestions.

Statistical tables relating to banks in India.

The views of the Committee were invited by the Economic Survey Experts invited by the Government of India on the much delayed annual publication "Statstistical Tables relating to banks in India" and asking if it was of any use to the business world in view of the great delay in its publication.

The Committee in expressing their views stated that the publication "Statistical Tables relating to Banks in India" should be continued and the Exchange and other Banks

should be asked to expedite supply of information. They also stated that the statistical tables were found to be useful to the business community, and that if the banks supplied the information quickly the usefulness of the publication would be increased.

Opening of Mints for the free coinage of Silver.

The Federation of Indian Chambers of Commerce and Industry invited the views of the Committee on a suggestion from the Merchants' Chamber of United Provinces that the Government of India should be requested to throw open the Mints in India for the free coinage of silver. The Committee, in reply pointed out that the proposal was undesirable and that such a step would upset such economic stability as existed in the country. As regards the question of raising prices, the Committee felt that the same could be dealt with only if there was a national economic plan which took account of all factors affecting production, consumption and trade. They also suggested that the Federation should recommend to the Government of India to institution of Central Economic Council, with preponderating Indian element, with a view to have the economic life of the country on a well-regulated and planned programme.

Dr. Meek's Report on the working of the Ottawa Agreement.

The Committee addressed the Government of India, forwarding their views on the Report submitted by Dr. D. B. Meek, on behalf of Government, on the working of the Ottawa Trade Agreement. They observed that in the first place, the period of review was too short for judging the results properly. Added to this the period had been one of an extraordinary economic upheaval in various countries, due to exchange instability, changing prices and changing tariffs, all powerful factors which would well shadow the effect of a 10 per cent. preference in either direction. The Committee were of opinion that the inference that there has been some advantage to India as far as some products were concerned, tried to be conveyed in the report, was not justified. The *quid pro quo* for India was said to be a bigger

and better market for Indian raw produce abroad, but the Committee found that there was very little in the report to substantiate this claim. With regard to increase in the exports of linseed to the United Kingdom, which was claimed as the result of the preference to India under the Ottawa Agreement, the Committee observed that that was due to the failure in linseed crops in Argentine and the U. S. A., and also due to the favourable price of linseed in India rather than the preference, and as a matter of fact the other foreign countries including the U. S. A. had taken more of Indian linseed.

The Committee next pointed out the detrimental effect in certain respects to some of the nascent industries of the country, as a result of the increased imports of British articles, due to the agreement, competing with them.

In conclusion, the Committee summarised the results of the Ottawa Agreement as follows ;—

(1) The agreement did not result in any benefit to Inda;

(2) The advantage, if any, had been of a very doubtful character to the consumers ;

(3) It proved definitely detrimental to India's infant industries ;

(4) India had risked a good deal as regards her relations with her other foreign customers ;

and

(5) By the continuance of the agreement permanent harm might be done to India's trade with foreign countries and to the interests of the agriculturists.

Currency Notes Refund Rules.

The Government of India, appointed a committee to examine whether any changes were desirable in the currency note Refund Rules, and in this connection invited the Chamber to depute their representatives to appear before the Committee and discuss the question informally. The Committee nominated Messrs. Manu Subdedar and Chunial B. Mehta

as their representatives, who, accompanied by the Secretary of the Chamber, met the Currency Notes Refund Rules. Committee on the 10th May 1934 and discussed the question.

Report of the Currency Notes Refund Rules Committee.

The Committee addressed a representation to the Government of India on the Report of the Currency Notes Refund Rules Committee and the Resolution of the Government of India on the same. They pointed out that the recommendations of the report did not go very far to meet the requirements of the commercial community. Remittance facilities should be further increased and at considerably cheaper rates. They added that the question of modifications in the rules should be postponed until the Reserve Bank was in a position to take over the control of the Currency. Eventually when remittance facilities were fully and freely given the rules might be amended, but even then cut currency notes should continue to be paid by the Currency authorities till the people had got themselves adapted to the new remittance facilities and a sufficient time, say five or seven years, had elapsed.

Issue of New Five and Ten Rupee Notes.

The Committee had drawn the attention of the Government of India last year to complaints received from various quarters in regard to the issue of new five and ten rupee notes, particularly in the mofussil. They enquired of Government the reasons why it was thought advisable to introduce the new smaller size notes.

Government, in reply, observed that the change was effected on financial grounds, and added that in view of the complaints against the quality of the paper used for the new designs, they were contemplating the use of thicker papers.

The Committee, while noting that the Government, were contemplating the use of a thicker paper, drew their attention to the size and colour of the new five and ten rupee notes, which were so similar that people in the mofussil

found it difficult to distinguish the one from the other. The Committee, therefore, urged the Government of India to restore the original difference between the size, and colour of the new five and ten rupee notes.

Bill to regulate money-lending business.

The views of the Committee were invited by the Government of Bombay on a private bill introduced in the last session of the Bombay Legislative Council re ; regulation of money-lending business in the Presidency. The Committee expressed their sympathy with the idea of having legal check designed to control the questionable practices in the profession of money lending and to secure to the illiterate and poor labourers protection from such practices. But they pointed out that the Bill as drafted would not fulfill the object in view as in its wide form it would affect the interests of the borrowers themselves by unnecessarily restricting credit operations of money lenders and by making credit very shy They felt that the bill was too wide and did not, therefore, enter into a detailed examination of its provisions. They, however, suggested that Government should, instead of leaving the matter to be dealt with by a private bill, draft a bill of their own, more certain and definite in its objects and scope. Such a bill should cover only loans to labourers and artisans and such other class of people who were supposed to be victimised now. They added that there was no need to bring in transactions covering sale of goods within the purview of such a legislation. Such a bill, if introduced, should define properly money-lending so that casual advances and accommodation by those who were not professional money lenders could be excluded, and would only apply to borrowers with an annual income of not more than Rs. 1,000, and loans of amounts below Rs. 500.

The Indo-Japanese Agreement and the Indian Tariff (Textile Protection) Amendment Bill.

The Committee in submitting their views on the Indo-Japanese Agreement observed that the main provisions of

the Indo-Japanese agreement were not so favourable to India as they were to Japan. They pointed out that the scale of piecegoods imports from Japan, fixed in co-relation to exports of Indian cotton to Japan was so devised as to permit Japan to import a certain quantity of piecegoods without being obliged to buy a single bale of Indian cotton. The Indian cotton grower might perhaps have received some immediate relief as the result of the Agreement, but the Committee could not conceal it from Government that the real interests of the Indian cotton producer would be served only by the adoption of a policy of national self-sufficiency in regard to utilisation by the local industry of the raw cotton produced within the country itself.

The Committee urged that during the currency of the Agreement steps must be taken to safeguard the interests of the Indian Textile Industry and cotton producer, especially if the reports about extensive cotton cultivation in Manchuria were not unfounded.

They also invited the Government's attention to the special favour shown to imports of artificial silk fabrics which, they felt convinced, were increasingly becoming a competitor of Indian textiles. They noted that there was no mention in the Agreement of that article, and yet in the present Bill preferential tariff was provided for British artificial silk goods and a generally lower tariff for other such goods.

With regard to the provisions of the Indian Tariff (Textile Protection) Amendment Bill, the Committee in the first place regretted the delay in the publication of the Textile Tariff Board's report which was signed in November 1932, and material alterations in the basis of the scheme of protection recommended by the Board. The Committee reiterated their strong conviction that not only was any scheme of Imperial Preference undesirable in the interests of the local industry, but that no scheme of preference should even be introduced, which would reduce in the slightest degree the effective protection needed for adequate safeguarding of that industry. They felt that that basic principle was not properly attended to in the present bill.

The Committee also observed that the Lees-Mody Pact and its consequence of preference to British textile goods was even more objectionable than the Indo-Japanese Agreement since in that Pact no consideration was shown to Indian raw cotton. They doubted very much the possibility of any substantial consumption of Indian raw cotton by British mills to compensate for the handicap imposed on the Indian industry by that preference.

In conclusion, the Committee pointed out that the Textile Board's report contained many other recommendations regarding the rehabilitation and improved efficiency of the Indian Textile Industry regarding which Government appeared to be indifferent. Though the Tariff Bill might not be a suitable medium for attending to these other aspects of the Indian textile industry, the Committee observed, that Indian public would have appreciated an official declaration of policy in these matters on the occasion of the Textile Protection Bill.

Non-allotment of freight space to Indian shippers to Japan of Raw Cotton by the Agents of Japanese Cotton Spinners Association.

The Committee had received complaints from various members in regard to non-allotment of freight space to Indian shippers of raw cotton to Japan by the Agents of Japanese Cotton Spinners Association. The Committee after carefully considering the same sent the following two telegrams to the Government of India drawing their attention to the complaints referred to above.

1. (*Telegram dated* 11*th Jan.* 1934):—"Committee Indian Merchants' Chamber beg to bring to notice of Government that in spite of duties on importations from Japan having been reduced and boycott of cotton supposed to have been lifted from Monday last cotton shippers bitterly complaining that freight space for shipments to Japan is not allowed to them so far by the Agent of the Japan Cotton Spinners Association in Bombay. Committee believe that such agreements ought to be mutually simultaneous in operation."

2. (*Telegram dated 13th Jan.* 1934):—"In continuation of our telegram dated 11th instant regarding Japanese boycott of cotton further telegraphic advices from various firms definitely signify undue preference in freight has been allotted to Japanese shippers in India thereby hindering *bona fide* sales by Indian shippers, causing loss to commitments for early and near shipments. Urgently request take necessary steps to safeguard Indian shippers interests best possible."

Increasing imports of fents into India.

The attention of the Committee having been drawn to the large imports of cloth in lengths of 3 and 6 yards from Japan and other foreign countries, they addressed the Government of India, Finance Department, observing that these cut pieces were of uniform lengths, and cut into pieces to get them passed as fents at lower import duty. It would appear that these cut pieces were over and above the quota settled by the Government of India with the Government of Japan for importation of Japanese piecegoods. The Committee observed that if it were so, it was likely to defeat the purpose for which the quota settlement was made by Government. They therefore, requested Government to enquire into the same. If on enquiry the same was found to be the case, the remedy, in the opinion of the Committee, would be to equalise the duty on fents and on ordinary cloth so that there might not be any temptation to have ordinary cloth cut up into pieces and import them here. The imported fents with smaller incidence of duty compete with indigenous cotton textiles and thus harm the mill industry. As the question was of great importance from the point oi view of trade and industries and also from the point of vfew of the recent Indo-Japanese Agreement, the Committee requested Government, to send an early reply to them in this matter.

Indo-British Trade Negotiations.

The Committee sent a telegram to the Government of India, expressing concern at the reports appearing in the Press regarding Indo British Trade negotiations, and sug-

gesting consultation with Indian Commercial interest regarding negotiations, before they reached final stages. They felt that the negotiations were boundto affect the industrial development of India.

Indo-Italian Trade Negotiations.

The Committee sent a letter to the Government of India, emphasising the need for the association of representatives of Indian Commercial interests in the proposed trade negotiations between India and Italy.

Representation of the Committee to Tariff Board re : the Steel Industry Enquiry.

The attention of the Committee was drawn to the two memoranda submitted by the representatives of the British Iron and Steel Industry to the Tariff Board setting forth their demands in connection with protection to the Indian Iron and Steel Industry. Among others the representatives of the British Steel industry had demanded free entry of iron and steel products of the U. K. manufacture into India, and increase in the existing duty on non-British products. They had further suggested that the Indian market should be divided on a geographical basis between the Indian and U..K. producers, respectively. The Committee in forwarding their views to the Tariff Board on these demands of the British steel interests observed that the same were really very astounding. The Committee pointed out that India was committed to an irrevocable policy of protecting her industries to the fullest possible extent and any demands coming from whatever outside source which might tend to the whittling down of that policy stood condemned and should be strongly opposed. The committee also took an opportunity of making some observations in regard to the working of the Ottawa arrangement regarding iron and steel between the Tata Iron and Steel Co., and the British Iron and Steel manufacturers to show how the same had in practice resulted in little, if any, benefit to the Indian steel industry, while on the contrary it had resulted in considerable loss of

Customs revenue to the Government of India. The Committee were informed that the benefit could be approximately put down to a sum of about Rs. 5 lakhs at the most. On the other hand the loss to the Indian Exchequer by the reduction of duty was put down at about Rs. 12 lakhs from April to the end of November 1933. At that rate the loss of revenue for the whole period of the supplementary Ottawa agreement upto the end of September 1934 might come to about Rs. 30 lakhs. This was no "*quid pro quo*" to Indian interests and the Committee submitted that the whole arrangement lacked reciprocity on which alone its continuance in any form could be justified. The Committee in conclusion pointed out that the situation as disclosed by the above figures had already become very serious and if the demands of the British Iron and steel industry were conceded, it would become much worse and would vitiate the protection granted to the Indian industry.

Tariff Board Report on protection to Steel Industry.

The Committee sent a telegram to the Commerce Department of the Government of India deploring the trend of the Tariff Board report on the steel industry. They strongly protested against the Tariff Board going below the line of revenue duties in some cases which, in their opinion, introduced a vicious principle. The Committee felt that the need for such a course was not established, and this became objectionable because it involved in the present depleted state of India's finances direct sacrifice of taxpayers' money in the interests, not of Indian industry, but of the British manufacturer. The Committee strongly protested against the proposal for the introduction of Excise duty on steel as there was no justification whatsoever for taxation on production. The position of the Indian manufacturer in the matter of tested steel the Committee observed, was weakened by deliberate preference to Britain, while there was no guarantee that Britain would not dump on to this country untested steel at specially low rates. The Committee, in conclusion requested Government to stand by this national industry and to devise a scheme which would enable the exist-

ing company to prosper and induce new works to come into existence so as to make India self-sufficient.

Bill to provide for modification and continuance of the protection afforded to Iron & Steel Industry in British India and to impose an Excise Duty for revenue purposes upon certain steel.

The Committee after carefully considering the above Bill sent a representation to the Government of India. They observed that the assumption of the Tariff Board that the Company would receive the same price for the various classes of steel, whether tested or untested, was not well-placed, because if the Company were to produce all its output of tested quality its cost would go up beyond what was assumed by the Tariff Board, and on the contrary if it sold most of its output in untested quality it would have lowered its price and therefore would not recoup the fair selling price fixed by the Board. The Committee therefore were of opinion that it was not right to effect heavy reduction of duty on British steel and its entire removal in some cases. This they regarded as a very serious drawback of the whole scheme and feared that in a short period the whole problem would have to be reconsidered. The Committee then drew the attention of Government to the fact that the new scale of duty and the method of calculation put down in the Bill would lead to even lower scale than that recommended by the Tariff Board. They then referred to the fact that while preference to Britain was to be embodied in the Act, the advantage to Indian pig iron was only a matter of assurance.

The Committee then protested against the proposed imposition of an excise duty on locally manufactured steel ingots. They pointed out that it was a vicious principle to impose excise duty on indigenous protected industry. With regard to the removal of duty in some cases, the Committee observed that it would, over and above, involving a direct sacrifice of revenue, be a stab in the back to established industries and would be tantamount to falsifying their legitimate expectations.

Adequate protection to the indigenous Woollen Industry under the new Tariff Amending Bill.

The Committee were requested by the Indian Woollen Mills to support the representation made by them to the Government of India in regard to the inadequacy of protection given to the indigenous woollen industry in the new Tariff Amending Bill. The Indian Woollen Mills in their representation pointed out that the protection which the Government of India proposed to grant tot he indigenous woollen industry under the new Bill did not in any way protect the industry so far as the important items like woollen rugs, blankets, shawls, knitting wool and weaving yarn were concerned. They, therefore, urged the Government of India to levy specific duty of 18 annas per lb., or the *ad valorem* duty, whichever was higher. The Indian Woollen Mills also objected to the provisions in the Bill exempting British woollen products from the application of the specific duties. It was pointed out that as far as the indigenous woollen industry was concerned, the competition from the United Kingdom on account of that exemption would not only continue as before, but it would considerably increase, because the imports from Japan and other non-Empire countries affected by the specific duty would be largely captured by the U. K. and would, therefore, frustrate the principal object of the Bill, viz. protection of the indigenous industry from foreign competition.

The Committee, in strongly supporting the representation made by the Indian Woollen Mills, observed that the indigenous woollen industry must be adequately safeguarded from outside competition both from Empire and non-Empire countries.

Protection to woollen industry.

In connection with the Tariff Board Enquiry into the condition of the woollen textile industry, the Committee sent a letter to the Board supporting generally the claim of the industry for protection. They pointed out that the industry satisfied the conditions laid down by the Fiscal Commission in respect of production ; it had the na-

tural advantages and from the experience of the past few years it was felt that without such protection, the industry was likely to be ruined. They, therefore, recommended that the Tariff Board should support the claim of the industry for a liberal measure of protection, the extent of which would enable the industry firstly to face foreign competition and secondly to consolidate its position.

Adequate protection to the indigenous Hosiery Industry.

The attention of the Committee was drawn to certain loopholes in the present tariff classification which enables imports of certain classes of foreign hosiery at lower rates of duty than those contemplated under the Tariff Amendment Act. These loopholes, the Committee were informed, would enable several types of foreign cotton hosiery to enter India at the very low rate of duty of 35% as 'apparel' and 'Hosiery not otherwise specified' under item 238-G., whereas the intention of the Government was that such goods were to be made liable to a higher rate of duty.

The Committee communicated these instances to the Government in which by minor changes in design and form importers had been able to evade the higher classification and get their goods assessed at a lower rate of duty, and observ ed that the protection accorded to the indigenous industry by the Tariff Amendment Act, 1934, should not be allowed to be nullfied or reduced by any such loopholes. They, therefore, requested Government to give the matter their serious attention and find out ways and means for preventing such evasion either by suitably amending the tariff classification or in any other manner that they might feel justified.

Plea put forward by the Tin plate Co., of India to the Tariff Board re: increased duty on non-British tin plates.

The attention of the Committee having been drawn to the plea put forward by the Tin Plate Co., of India, to the Tariff Board for an increased duty on non-British tin plates, they addressed the Tariff Board to the effect that the proposed increased duty if sanctioned would result in a serious

handicap to small concerns recently started in the country which were using tin plates from continental countries for installation purposes in their factories. The Committee were informed that the Managing Agents of the Tin Plate Co., of India were generally not in a position to supply all the requirements of these small concerns and even when they could, the supplies were of second quality plates. They were further informed that the control of that Company was with the Burma Oil Co., and complaints had arisen that its trade rivals, (mostly Indian firms), for the distribution of oil, petrol, etc., were sometimes penalised and handicapped in their operation by the policy of the Tin Plate Co. regarding supplies of tin plates to such concerns. The Committee observed that if the request of the Tin Plate Co., was acceded to, the same would affect the smaller industries in the country, and they, therefore, strongly protested against any such increased duty on non-British tin plates.

Publication of the report of the Tariff Board on Glass Industry.

The Committee requested the Government of India to expedite the publication of the report of the Tariff Board on Glass Industry, and Government's decisions on the recommendations contained therein. The Glass Industry, the Committee understood, was passing through difficult times and in certain branches its very existence was threatened. It was, therefore, necessary in the interests of the struggling industry that Government, should lose no time in publishing the Report of the Tariff Board and in taking suitable action on the same.

Proposal to prohibit the importation of Ghee, Eggs, etc., from India into Ceylon.

The Indian Mercantile Chamber of Ceylon informed the Committee that the Government of that country was contemplating the imposition of an embargo on the import of ghee, etc., from India and requested that the matter should be taken up with the Government of India.

The Committee addressed a communication to the Government of India drawing their attention to this information and asking for further elucidation of the same. They also enquired if there were any trade negotiations between India and Ceylon.

Importation of cotton piecegoods into Persia.

The attention of the Committee was drawn to a press report regarding the allocation of quotas by the Persian Government for the imports of piecegoods into that Country. It would appear that according to the report imports of cotton piecegoods, except from Soviet Russia were to be excluded. India had a good share of the piecegoods market in that country and the Committee drew the attention of the Government of India to the position to which the import trade would be reduced if the arrangements outlined in the press report were given effect to. They, therefore, urged upon Government the necessity for taking steps to see that the market available in that country for Indian piecegoods was not completely shut out by any such arrangement and for taking such steps as might be necessary to protect Indian exports of cotton piecegoods into that country.

Annual revision of Tariff Values.

The Director General of Commercial Intelligence and Statistics, forwarded to the Committee a copy of the provisional tariff values for the year 1933. The Committee invited suggestions from merchants interested in the different trades and the Import and Export Sub-Committee of the Chamber discussed the various suggestions with the Director General on Monday, the 19th November, 1934. The Director General took note of the suggestions and promised to consider them.

Tariff Values for Hides and Skins.

The opinion of the Committee was requested by the Director General of Commercial Intelligence and Statistics on the provisional tariff values proposed for hides and skins for the year 1935.

After consulting merchants interested in the same, the Committee approved the rates fixed by the Director General.

Various changes proposed in the Tariff classification by the Department of Commercial Intelligence & Statistics.

The views of the Committee were invited by the Director General of Commercial Intelligence and Statistics with regard to (1) deletion of vegetable product from Tariff classification (2) proposed sub-division of heading under Umbrella Ribs in the present classification and (3) alteration of the heading "Nails, rose deck, and flat-headed."

With regard to item No. 1, the Committee were opposed to the same as, in their opinion, the proposed deletion would seriously injure the indigenous vegetable oil industry.

With regard to items 2 and 3, the Committee had no objection to the proposed changes.

Annual Revision of the List of Articles specified in the Seaborne Trade Returns.

The Committee being invited by the Director General of Commercial Intelligence and Statistics to forward suggestions re: any additional items for separate classification in the Trade Returns at the time of the annual revision of the list of articles specified in the Seaborne Trade Returns, after inviting suggestions from various members of the Chamber recommended the following additional items for inclusion in the list of articles specified in the Seaborne Trade Returns :—

(a) Camphor Powder from Japan.
(b) Camphor Tablets & Slabs from Japan.
(c) Camphor Powder Synthetic from Germany.
(d) Camphor Tablets & Slabs Synthetic fromGermany.
(e) Camphor Powder Synthetic from Italy.
(f) Camphor Tablets & Slabs Synthetic from Italy.

The Committee also suggested that surgical and scientific instruments should be given separately, and statistics

of imports of all wire products under one general heading of wire products showing separately the countries from which they were exported should be given. Under that general heading, they observed, statistics of imports of different types of wire products, *viz.*, paper clips, paper pins, safety pins, wire nails and different types of wire imported into India should also be given separately.

Separate classification of certain articles in the Sea Borne Trade Returns of British India.

It might be recalled that sometime back the Committee had requested the Director General of Commercial Intelligence and Statistics, Calcutta, to separately classify certain articles in the Seaborne Trade Returns of British India such as Healds, Reeds, combs, camphor and various articles under woollen and worsted yarn etc. This request of the Committee was not accepted by the Director General of Commercial Intelligence and Statistics. The Committee thereupon addressed the Commerce Department of the Government of India pointing out that the suggestions made by the commercial community were not made without any weighty grounds. They observed that the explanations given by the Director General of Commercial Intelligence and Statistics in his reply were unconvincing and unsatisfactory. If the Commercial Statistics were not going to be serviceable to the commercial community, the Committee failed to understand the reason why the same were being collected at all. The Committee, therefore, urged the Government of India to issue necessary instructions to the Department of Commercial Intelligence and Statistics for a re-examination of the whole question with a view to the suggestions made by them being accepted and particularly those with regard to Healds, Reeds and Combs, worsted yarns and camphor.

Tariff classification for Tyres for carriages and rickshaws.

The views of the Committee were invited by the Director General of Commercial Intelligence and Statistics, Calcutta, on the proposal to add a new head, in the Tariff schedule, for tyres for carriages and rickshaws.

The Committee in reply informed the Director General that they had no objection to the above proposal.

Annual revision of the list of cotton piecegoods.

The Director General of Commercial Intelligence and Statistics forwarded to the Committee a list of Cotton piecegoods for the assessment of import duty and enquired if they had any change to suggest. After consulting the merchants interested in the trade, the Committee informed the Director General that they approved of the same.

Tariff Classification for (1) Isinglass and (2) Tyres for cycles from Japan and the Far East.

The views of the Committee were invited by the Director General of Commercial Intelligence and Statistics on the tariff classification of the above two articles.

The Committee in reply stated that with regard to Isinglass that they did not approve of the proposal to fix a tariff value, as there was already a market price for the same and it was not difficult to obtain information about it. With regard to item (2) they had no objection to the proposal.

Interview with Mr. A. J. Raisman, Member, Central Board of Revenue.

The Committee had an interview with Mr. A. J. Raisman, member, Central Board of Revenue, on Wednesday, the 31st October 1934 when the following questions were discussed.

1. Smuggling of goods through the neighbouring ports and land frontiers.
2. Importation of foreign piecegoods without marks of origin.
3. Separate classification of Healds, Reeds and combs in the Sea-borne Trade Returns.
4. Inconvenience to passengers at Viramgam Customs cordon.

5. Assessment of certain machinery required for printing presses at a higher rate of duty.

Publication of Customs Statistics.

For the ports of Calcutta, Madras and Rangoon the Customs authorities publish official daily manifests of imports and exports and such other particulars re; shiping movements as may be useful to the trade. But in Bombay there is no such official publication. However, the Bombay Chamber of Commerce is publishing certain trade returns similar to those published officially hy the authorities in other ports. But the charges for the same were much higher than those of the official returns at other ports. It was pointed out to the Committee that there was no reason why in Bombay also such official returns should not be published and made available to the public at the charges charged for the returns at the ports of Calcutta, Madras and Rangoon. The Committee, therefore addressed a letter to the Central Board of Revenue suggesting that the Customs authorities in Bombay should also publish official returns of daily shipping movements for the information of the public and pointing out that such a publication need not materially add to the expenditure as all these information had to be collated for the Customs purposes.

Import duty on foreign coal.

The Committee sent a letter to the Government of India Commerce Department, pointing out that in view of the depressed condition of the coal industry and in view of the fact that coal was being sold at uneconomic prices Government should consider the desirability of increasing the rate of duty on imported coal. They suggested that Government should examine this point and levy such additional duty on foreign coal as may be justified by the necessities of the case.

Import duty on cut pieces of copra.

The Malabar Kariana Merchants Association drew the attention of the Committee to the circumstances in which a

consignment of cut pieces of copra was assessed to duty on an *ad valorem* basis under section 34 of the Sea Customs Act. Section 34 provided for the assessment of goods on an *ad valorem* basis even though a tariff value was fixed for the same in cases where the said goods had deteriorated to the extent of more than one-tenth of their value. It was contended that Ceylon copra could not have deteriorated in such a manner and that under the existing classification imports of copra cut or otherwise should be assessible at a tariff value of Rs. 9/- per cwt. In the reply which the Collector of Customs had sent to the Association, he had pointed out that goods were allowed to be assessed *ad valorem* under Section 34 only when they had deteriorated to the extent of more than one-tenth of the value and that each case of importation of copra would be decided on its own merits. As the question whether the particular consignment had deteriorated within the meaning of the section 34 was one of fact, the Committee felt that there was no question of policy or principle involved in it. They, however, requested the Collector of Customs to give detailed indications as to what would amount to deterioration in consignments of copra, whole or cut, so that such an explanation would prove to be of use on occasions when claims under section 34 might have to be made in future.

Import Duty on Wheat.

The Import duty of Rs. 2/- per cwt. imposed on wheat will, in the ordinary course, expire with the end of the financial year 1934-35. The Committee, therefore, addressed a communication to the Government of India, urging the necessity, in the interests of Indian agriculturists, for the continuance of the duty, and requesting an early announcement of their intentions in the matter.

Assessment of Customs duty on diesel oil imported for blending heavy diesel oil.

Certain importers of mineral oil sent to the Committee a copy of their application to the Government of India, regarding assessment of Customs duty on diesel oil and request-

ed that the Committee should support the same. Under the existing tariff schedule heavy diesel oil which had its flashing point above 150° was assessed to duty at 12½ per cent., but diesel oil with flashing point above 100° was assessed at the same duty as for kerosene oil, viz., As. 3/9 per gallon. Till the end of the year 1933 all mineral oils other than kerosene oil were being assessed at 12½ per cent., but Government claimed that large quantities of such oil were being used as illuminant, and therefore should be treated as kerosene. The representation of the importers desired that lighter mineral oil which was being imported for blending heavier mineral oil should not be treated as kerosene and charged thereunder as the same was not being used as an illuminant. They added that for the purpose of satisfying Customs requirements such mineral oil should be allowed to be kept under bond, and when used for bona-fide blending purposes, should be assessed at a lower rate of duty. As the proposal of the importers was in the interests of small industries using such mineral oil, the Committee supported the same.

Procedure for the despatch of goods intended for Afghanistan.

At present goods coming through the Customs and intended for Afghanistan are wired and sealed after necessary examination and identification and are then made over to the exporters for despatch at any subsequent date. The Collector of Customs invited the views of the Committee on the change in the procedure under contemplation. It was proposed that inland bonded warehouses should be provided in the Frontier towns in which goods could be railed from the ports under bond and from which they could be delivered on payment of duty for consumption in India or for transport to Afghanistan. The Committee, in reply, pointed out that the proposal to provide inland bonded warehouses in Frontier towns for the custody in bond of goods intended for transmission to Afghanistan would not, from the point of view of merchants, be feasible or convenient. They suggested instead that for goods which were not forwarded direct from the transit sheds to Frontier railhead town, arrangement should be made for custody in bonded warehouses at the

port of import from which it could be, at any subsequent date, despatched to Afghanistan or sold locally after payment of duty. In short, instead of having bonded warehouses at frontier towns, the Committee favoured arrangements for custody in bond at the ports of import.

Hardships and inconvenience to passengers at Viramgam Customs Cordon.

The Committee drew the attention of the Central Board of Revenue, Government of India, to various complaints regarding hardship and inconvenience experienced by the travelling public, specially by the third class passengers, at Viramgaum station consequent upon the re-imposition of Customs cordon. They felt that passengers of all classes should be treated with uniform courtesy by the Customs authorities at Viramgam when certain Customs formalities have to be gone through, and that no passengers, by whatever class they may be travelling, should suffer avoidable inconvenience or harassment.

The Committee, therefore, requested Government to issue the necessary orders to the Customs authorities that at the time of inspection of luggage and belongings of passengers, hardship and inconvenience resulting therefrom should be minimised to the utmost possible limit.

International Congress of Exchange.

The Chamber was invited to send delegates to the second International Congress of Exchange to be held in Paris on the 24th and 25th October. The Congress was expected to deal with questions of interest to producers and exporters of all countries and particularly questions such as lowering of customs barriers etc. The Committee nominated the following gentlemen as their delegates :

Mr. D. S. ERULKAR, Mr. K. P. MEHTA, and Mr. A. D. SHROFF.

The Committee were subsquently informed that the date of the Congress had been postponed.

Duty free entry into India of "Murray's Vacreator," the newly invented Dairy Machinery.

At the instance of a member of the Chamber the Committee addressed the Government of India in regard to duty free entry into India of "Murray's Vacreator," the newly invented dairy machinery. In doing so, they observed that dairy machinery and appliances were allowed to be imported into the country free of duty but the Murray's Vacreator had only recently been invented and as such could not be included in the list of duty free machinery. The butter industry in India was still in its infancy and any assistance that Government could give to it would no doubt help its further growth and development. The Murray's Vacreator, it was pointed out, had been of great help to the butter industry in New Zealand, and would no doubt be found of equally great help to the indigenous butter industry. The Committee therefore requested Government to include this new machinery also in the free list.

Assessment of profits paid to participating policy-holders of Insurance Companies.

The Committee addressed the Central Board of Revenue in regard to the present practice of assessing profits paid to participating policy-holders as bonuses by Life Assurance Companies. They observed that that practice was neither fair nor was in consonance with the practice obtaining in the United Kingdom and other countries. Such surpluses rightly belonged to and were contributed by the participating policy-holders, in as much as they represented extra premia paid by them. The inequities of the situation were realised in England and other countries long before and the Income-tax Acts in those countries were so amended as not to tax such portions of profits allotted to and vested in participating policy-holders. The Committee, therefore, urged for amending the Indian Income-Tax Act on the lines of the English Act in such a way as not to assess these profits.

The Government in reply informed the Committee that the matter had already been very carefully considered

by them and that it had been decided not to amend the Indian Income-Tax Act so as to make such profits exempt from tax.

Draft Amendments to Rules 8 & 9 of the Income Tax Rules 1922.

Under the Income Tax Amendment Act passed in September last professional people such as Barristers, Doctors, Accountants, etc., got the right of deducting allowances in respect of depreciation of buildings, furniture, appliances, apparatus, etc., from assessment along with business houses and Merchants. The proposed amendments to Rules 8 & 9 laid down procedure for claiming such deductions from assessments. The Committee informed the Central Board of Revenue that they supported the said amendments.

Depreciation allowance for X-Ray apparatus, etc., under Income-Tax rules.

The Central Board of Revenue invited by notification the views of the Committee on the proposal to provide that X'Ray and Therapeutic apparatus, etc., shall be allowed under Rule 8 of the Income-Tax Rules a depreciation allowance of 20 per cent. The Committee approved of the proposal.

Board of Referees under the Indian Income-tax Act.

The Federation of Indian Chambers of Commerre and Industry invited the Committee to nominate a membec for the vacancy caused by the death of Sheth Lalji Naranji in the panel for the Board of Referees under the Indian Income-tax Act. The Committee proposed the name of Mr. Manu Subedar, Vice-President.

Subsequently, the Committee were informed by the Federation that Mr. Subedar was elected by member-bodies of the Federation of the Bombay Presidency.

Bill to provide for the impositin of an excise duty on mechanical lighters.

The views of the Committee were invited by the Director of Industries, Bombay, on the Bill to provide for the

imposition of an excise duty on mechanical lighters. The Hon. Finance Member of the Government of India in the statement of objects and reasons of the Bill had observed that there was a serious danger that with the imposition of a considerable duty on matches, there would be an abnormal development of the use of mechanical lighters, and that would mean a loss of duty and interference with the business of the Indian match manufacturing industry. It was, therefore proposed that an appropriate excise duty should be imposed on mechanical lighters and the Customs duty should be correspondingly enhanced, the plea put forward being that there was not, as yet, any established industry in the manufacture of mechanical lighters in India.

The Committee in expressing their views strongly objected to the imposition of an Excise Duty on principle, as they considered it detrimental to industries of the country. They felt that if the proposed legislation was accepted, it would prevent the initiation and development of the industry of the manufacture of mechanical lighters in India.

The Committee feared that owing to the imposition of a heavy duty on matches, and also Excise Duty on the same, there would be a great increase in the import of mechanical lighters. They pointed out that this danger could only be averted by the imposition of a higher import duty on mechanical lighters. The Committee were, therefore, of opinion that Government should confine themselves to the proposal for an import duty and abandoned the proposal for an Excise Duty.

Difficulties arising out of the imposition of Excise duty on Matches and notifications thereunder.

The attention of the Committee having been drawn to serious difficulties pexperienced by Indian match manufacturers arising out of the Government Notifications dated 16th and 30th June 1934 under the Match Excise Duty Act, 1934, addressed Government pointing out that the first notification of the 16th June laid down that after 1st October 1934 no matches should be sold or offered or kept for sale

in India except in packets, boxes, or books bearing banderols. The Committee drew the attention of Government to the fact that at present in Bombay the stock of matches manufactured before the 1st April 1934 was about 30,000 cases of 50 gross each, and it was impossible to dispose of or clear the same before the 1st October. Again there was great difficulty in sending these matches in large quantities from Bombay to ports on the West coast by sailing vessels and country crafts which did not ply during the monsoon. The Committee therefore suggested that the time limit fixed by Government, viz. 1st October for disposing of the present stock should be extended till the 31st December. Another difficulty, which the Committee were afraid did not appear to have been considered, was in respect of matches that had been manufactured after the imposition of the Excise duty and under the supervision of the Excise Authorities. There was considerable apprehension among the manufacturers that the effect of this notification, dated 16th June, would be that these matches also would be liable to payment of excise duty a second time on such unsold stock after the 1st October, even though the excise duty had already been paid in respect of the same. The Committee felt that such a situation was one which called for immediate adjustment, and trusted that necessary orders would be passed to prevent such a contingency.

With regard to the second Notification, dated 30th June, 1934, the position would be after the 15th July 1934 no matches manufactured after the 30th June would be allowed to be issued from factories in British India except in boxes, packets or books bearing banderols. The Committee felt that such an arrangement would involve locking up of funds and would thus penalise all small manufacturers. They, therefore suggested that banderols should be issued to factory owners according to their requirements and charges therefor should be collected from them as and when the products were issued from the precincts of the factories. The Committee trusted that Government would be pleased to give effect to their above suggestions with a view to remedying the difficulties of the manufacturers.

Bill to provide for the imposition of a consumtion duty on cotton.

The Committee considered the Bill sponsored by the Government of India to provide for the imposition of a consumption duty on certain raw cotton. The Bill was designed to check the diversion from the port of Bombay of the import trade in Empire cotton and the consequent loss of revenue by substituting for the present import duty, a consumption duty of the same amount chargeable on the entry of such cotton into cotton mills.

The Committee in forwarding their views on the Bill welcomed the object for which the duty was being imposed. They, however, observed that care should be taken not to penalise existing stocks with bona fide users on which they had already paid an import duty. They, therefore, suggested that stock statements prior to the commencement of the operation of the legislation should be called for, and sufficient notice should be given to all parties; unless Government could see their way to secure the refund of duties paid in ports not in British India.

Refund of Town duty on sugar candy.

The Committee were requested by the Sugar Candy Association of Bombay to support its representation to the Bombay Municipality in regard to the refund of town duty on sugar candy locally manufactured, not meant for local consumption, but for despatch out of Bombay.

The Committee in addressing the Bombay Municipality in this connection observed that sugar candy locally manufactured deserved sympathetic consideration at the hands of the Municipality. They pointed out that foreign sugar candy not meant for local consumption obtained refund of town duty while the indigenous sugar candy did not get this relief. This had adversely affected the indigenous industry and manufacturers were obliged either to close their doors or to remove themselves outside Bombay. The Committee observed that if there was any technical difficulty which stood in the way of giving refund of town duty on sugar

candy, the same could very well be got over by making the necessary amendments in Town Duty Refund Rules. They submitted that sugar candy was nothing else but sugar in a slightly different form and as such it should be given the benefit of refund of town duty on the same basis as sugar. The Committee hoped that the Bombay Municipality would be pleased to take up the matter at an early date.

Basis of levy of town duty on Indian Sugar.

The attention of the Committee was drawn by the Sugar Merchants Association to the basis of levy of Town Duty on Indian sugar adopted by the Bombay Municipality. It was pointed out that whereas foreign sugar was charged on actual net quantity, Indian sugar was charged as per gross weight, no allowance being made for the deduction of weight represented by bags. That was a matter of vital importance to members of the Sugar Merchants' Association. The Association, therefore, urged upon the Bombay Municipality to look immediately into the matter and adopt a uniform basis for purposes of town duty charges on Indian sugar, viz., charging only the actual net quantity of Indian sugar imported for consumption within Municipal limits as was the case with foreign sugar.

Another complaint made by the Sugar Merchants Association was that a duty of As. 8 was leviable on every cwt. of sugar consumed within municipal limits, but in the case of Indian sugar the weight was shown not in cwts. but in railway maunds. On the basis of As. 8 per cwt; duty to be charged on every maund would be 5 annas 8 pies, but the Bombay Municipality charged a duty of six annas in round figure of every maund.

The Committee after carefully considering these complaints of the Sugar Merchants' Association asked their representative on the Bombay Municipality to take up the matter with the Bombay Municipal Corporation with a view to obtaining the relief asked for by the Sugar Merchants' Association to the local sugar trade.

Proposal to levy Municipal Town Duty on certain additional articles.

The attention of the Committee was drawn to the proposal before the Bombay Municipal Corporation to levy Town Duties on certain additional articles, including Copra. The Committee were opposed to all further levy of Town Duty and instructed their representative in the Corporation to oppose the proposal.

The Bombay Municipal Act Amending Bill re : Assessment of Water-tax.

The attention of the Committee was drawn to the Bill published in the Bombay Government Gazette, dated 12th March 1934 to amend the City of Bombay Municipal Act. The Bill among other things sought to amend the Municipal Act so as to make it possible for the Municipality to make a profit on the Water-tax on ordinary consumers and provide for the assessment of Water-tax on certain properties owned and managed by Government at a concessional rate. The Millowners Association had, in this connection, addressed a representation to the Government of Bombay pointing out that the present provisions of the Act in regard to Water-tax were inequitable so far as large scale industrial consumers were concerned and the proposed amendment would only accentuate the position by the Municipality trying to make up the hole in its tax income from Government buildings by increased rates on consumers paying for water-tax on measurement basis. The Millowners Association, had therefore urged the appointment of a Committee representing all interests concerned to consider the question and to arrive at a fair solution of the problem of fixing the rates for water for the different classes of consumers.

The Committee in this connection addressed a letter to the Government of Bombay pointing out that as the Bill contemplated serious and material changes in the rates of and the manner of assessment to water-tax, it was but fair that a suitable opportunity should be given to all interests likely to be affected by the change, to examine the provisions

carefully, and in consultation, to express their opinion on the same. They, therefore, supported the suggestion of the Millowners Association for the appointment of a Committee representing all interests to go into the matter and hoped that Government would agree to the proposal and would not hurry up with the bill as published.

Accordingly such a Conference was held on 6th July 1934 when Mr. Manu Subedar, the Vice-President, and Raja Bahadur Govindlal Shivlal represented the Chamber. The representatives strongly protested against the objects underlying the Bill. It is understood, the Bombay Chamber of Commerce and the Bombay Millowners' Association were also opposed to the objects of the Bill.

Re-imposition of tolls in the Bombay Presidency.

The Committee addressed the Government of Bombay in regard to the re-imposition of tolls in the Bombay Presidency last year. In the first place they drew the attention of the Government of Bombay to the recent press report that the Government of India had turned down the proposal of the Bombay Municipality to levy a terminal tax on passengers as they (Government of India) were of opinion that any such duties would impede the free flow of trade and traffic. The Committee submitted that the tolls that were reimposed in the Bombay Presidency last year, after the lapse of about 8 years were in the nature of such imposts and had great detrimental effects on the trade and traffic not only of the City of Bombay but the whole of the presidency. The Government, were no doubt aware that during the last two years, the fall in prices of agricultural commodities had been much more precipitous and catastrophic than in those of any other commodities which had worsened the already depressed condition of the agricultural population of the Presidency. The marketing facilities in interior parts of the presidency were few and far between and the agriculturist had to defray considerable expenditure for marketing his produce from his field at the nearest railway head or market place. There was either a Government toll or a Localboard

toll at every 10 miles along this distance which meant that the agriculturists had to pay in tolls something about Re. 1 per bullock-cart to obtain anything from the railway head and another Re. 1 for selling his produce at this nearest railway head or market place. This additional expenditure was undoubtedly a great burden.

The Committee strongly opposed, on principle, the imposition of any road tolls, whether on bullock-carts or any other mechanically propelled vehicles. They therefore appealed to Government to recognise even now the great burden that had been placed on the trade and traffic of the Presidency in general and in particular on the agriculturists by these tolls and remove the same at an early date.

The Government in reply pointed out that they were unable to agree to the abolition of the toll tax entirely and that the question of substituting a provincial tax for toll tax on motors and all mechanically propelled vehicles was under the consideration of the Government. They added that at the discretion of the Collector of the District concerned the cultivators, woodcutters, grass cutters and the like who had a toll or who had constantly to pass toll bars on their way to their occupation were exempted from the operation of the tax and that under this exemption cultivators' carts carrying manure, etc., to their fields were free from the toll.

Commercial Pannel of the Railway Rates Advisory Committee.

The Committee appointed Mr. M. C. Ghia as their representative on the Commercial Pannel of the Railway Rates Advisory Committee in the vacancy caused by the death of Sir Munmohandas Ramji Kt.

III. TRADE, INDUSTRIAL AND LABOUR LEGISLATION.

Bombay Trades Disputes Conciliation Bill; 1934.

The Committee in forwarding their views to the Government of Bombay on the Bombay Trades Disputes Conciliation Bill, observed that it was a good attempt to concert some measure for the situation which had been prevailing in the City for a long time past as regards relations between employers and employees in the textile industry.

With regard to Clause 5 (3), the Committee suggested that the Labour Officer should only be empowered to inspect documents strictly connected with and relevant to the specific grievances and not be allowed to carry on any fishing enquiries.

With regard to the penalty clause, they felt that the same was too high and therefore suggested that a reasonable limit should be fixed with regard to the penalty.

The Committee were of opinion that a person should be deemed to be disqualified under Clause 10 (1) only if the offence involved moral turpitude. They suggested the deletion of Clause (d) (2) because they were afraid that the same would place in the hands of the Concilliator too wide powers.

With regard to Clause 12, the Committee were of opinion that provision should be made that whilst the conciliation proceedings were going on there should be no cessation of work either on the part of employers or employees.

The Committee suggested that a new Clause should be embodied in the Bill to the effect that agreed settlements between employers and employees should immediately be given effect to.

In conclusion, the Committee observed that whenever rules were framed under Clause 20, the draft of these rules should officially be sent to the Commercial Bodies for their views on the same.

Registration of trade marks.

A communication was addressed to the Government of India urging the need for the introduction of legislation for the registration of trade marks in India. The Commit-

tee referred to the previous prepresentations which had been made both by this Chamber and the Federation of Indian Chambers of Commerce and Industry dealing with the disabilities entailed by the absence of such legislation and the consequent international complications. They further pointed out that in the absence of provisions for such registration merchants and industrialists inadevertently infringed existing trade marks and were forced to face legal action for compensation and damages. It was, therefore, requested that Government should take this question also along with the question of the revision of company and insurance legislation.

Conference re: Prevention of Adulteration of Butter and Ghee.

The Committee were invited by the Director of Public Health, Government of Bombay, to send a representative of the Chamber to the proposed Conference of Chemists and others interested in the question of prevention of adulteration of butter and ghee.

The Committee nominated Mr. Kapilram H. Vakil as the Chamber's representative to the said Conference.

Bombay Prevention of adulteration Act—amendments of Rules under.

The views of the Committee were invited by the Government of Bombay on the amendments proposed to the Bombay Prevention of Adulteration Act and the Rules there under. These amendments were based on the recommendations of the Conference which was convened earlier in the year under the auspices of the Government at which a representative of the Chamber was also present. There were, however, one or two points on which the Committee were not in agreement with the draft proposals. Government were proposing a Reichert-Woolny value of 19 as a standard for ghee. The Committee felt that it was a very low standard and suggested that it should be increased to 24 as otherwise the low standard would be creating undesirable condition, in the trade and would encourage fraud in an uncontrolled form.

The Committee also opposed the provision in the rules in so far as it related to the admixture of vegetable products with pure ghee or butter. Such a provision, they pointed out, would lead to various malpractices and therefore, provide a loophole for the object with which the rules were framed being defeated. They added that the existence of such mixed products would facilitate ratailers palming off mixed products with a higher percentage of foreign matter as genuine ghee. They therefore suggested the amendment of the draft rules in the above two directions and generally approved ofthe rest of the same.

Amendment of the Indian Cotton Ginning and Pressing Factories Act.

The Bombay Millowners Association invited the attention of the Committee to complaints received from various cotton merchants regarding malpractices such as watering and mixing in cotton alleged to be resorted to by gins and presses in various parts of the country. The Association observed that the only effective remedy to put a stop to these malpractices appeared to be to move the Government of India to amend the Indian Ginning and Press Factories Act, 1925, enabling Provincial Governments to introduce a system of licensing of gins and presses in their respective provinces. The Association had sent a representation to the Government of India in the matter, and requested the Committee to support the same.

The Committee after consulting the various interests concerned, addressed the Government of India stating that there was a concensus of opinion from various quarters such as the Indian Central Cotton Committee and the Bombay Millowners' Association in regard to the desirability of amending the Ginning and Pressing Factories Act. In view of that they would not oppose the principle of legislation of licensing of gins and presses. They however were anxious to see the detailed scheme regarding such licensing before they would finally approve of the same, and observed that in no circumstances should any legislation on the subject be passed

until the relevant Bill was circulated for public opinion and until genuine and *bona fide* difficulties of the owners of presses and gins had been adequately realised and provided for.

Sugar Industry Protection Act, Rules under Section 5, 1932.

The views of the Committee were invited by the Imperial Council of Agricultural Research through the Government of Bombay on rules which Government of India proposed to frame under Section 5 of the Sugar Industry Protection Act, 1932.

The Committee in forwarding their views observed that some of the returns called for under the rules and the forms prescribed were too ellaborate, and were unnecessary for the main objective of the rules under reference. They were of opinion that information regarding costs could not be disclosed by any factory, even though it might be presumed that such information would be treated as strictly confidential. They, therefore, suggested that instead of the elaborate and detailed returns, a simple form asking for certain heads for the production of sugar would serve the purpose of Section 5.

Coming to the rules the Committee saw no reason why detailed specifications of the entire plant should be furnished.

Form D(i), the Committee felt, was highly objectionable. There was no need for submission of fortnightly manufacturing reports, as a final report after the season had to be submitted.

Form F(i), calling for cost of production was also strongly objected to. The Committee observed that the question of cost of production was a business secret and should not be divulged on any account.

In view of these observations, the Committee informed the authorities that the forms under reference required material revision.

Proposal for the creation of a Central Body to register Copyrights of songs, etc., in India.

It might be recalled that the Committee had taken up this question with the Government of India with a view to securing protection for manufacturers of gramophone records of songs, etc., in this country against claims of copyright thereof, in the absence of official information re : such copyright. Government in their reply recognised that there might occasionally be some difficulty in ascertaining the owners of copyright of songs, but they did not think that there was sufficient reason to justify the expenses of setting up a system registration and consequent trouble to all owners of copyright in India. The Committee again addressed Government pointing out real difficulties experienced by manufacturers of records of well-known popular songs. They observed that such bonafide use of these songs should not lead to the victimisation of innocent parties by people who claimed copyright in such songs. In order to obviate that difficulty, the Committee suggested that the Indian Copyright Act should be amended by inserting a provision to the effect that where a party claimed copyright he should be obliged to insert his claim to the copyright in the margin of the catalogue of such records in abbreviated letters. They believed that under the old Indian Copyright Act, 1847, a Book of Registry was kept with the Government of India and persons claiming copyright were entitled to register same in that Register on payment of a prescribed fee, and these entries were made available for inspection by the public. The Committee could not see why under the present Copyright Act such a system should not be introduced to enable persons to register their copyrights in any works of literary art, including song.

Importation of Petrol via Okha Port into British India.

The Committee were requested by the Bombay Port Trust to support its representation to Government in regard to the proposed amendment of the Indian Petroleum Act, 1899, enabling the importation of Petrol into British India via Port Okha by rail to the land customs stations on the

Viramgam Customs cordon. The Port Trust in its representation urged that such an amendment would seriously affect the petroleum trade of Bombay and would further accentuate the trade diversion from Bombay to Kathiawar ports, which had already assumed serious proportions at present. It was further pointed out that the Bombay Port Trust had incurred considerable expenditure for providing necessary facilities for importation of petrol into Bombay. Not only such an importation of petrol via Okha would seriously affect the fortunes of the City and Port of Bombay, but the Government of India themselves would suffer considerably through the falling of Customs revenue on such imports. In consideration of all these factors, the Bombay Port Trust strongly urged Government not to sanction the request of the Baroda Durbar to allow them to import petrol into British India crossing the Customs cordon.

The Committee in supporting the representation of the Bombay Port Trust to Government, emphasised the necessity of seriously considering the consequences of allowing importation of petrol into British India via Okha. They concurred with the Bombay Port Trust that the trade had already been diverted from Bombay to other Kathiawar Ports to a great extent, and the only result of the proposed amendment would be to divert a larger portion of the petrol trade of the Port of Bombay. They were strongly opposed to the proposed amendment of Petroleum rules. The Committee at the same times obseved that they would have no objection to allow the Baroda Durbar to import petrol into Okha in such quantities as might be required for the use of industries located at that place, but under no circumstances the Durbar should be allowed to bring petrol via Okha into British India crossing the Viramgam Customs cordon.

Proposed restriction on output of Coal.

The views of the Committee were invited by the Government of Bombay on a scheme put forward by the coal mining interests for compulsory restriction on the output for a period of 3 years in Bengal, Bihar and Orissa and the Central Provinces. The main features of the scheme were

(a) a reduction not exceeding 25 per cent, in the output of all but small quantities of coal in Bengal, Bihar & Orissa ;

(b) maintenance of the existing output in the Central Provinces ;

(c) grant of special treatment to recently opened collieries;

(d) safeguarding of *bona fide* forward contracts upto 31st March 1934.

(e) administration of the scheme by a Committee consisting of a Chairman appointed by Government and 8 members of whom the Indian Mining Association would nominate 4, the Indian Mining Federation and the Indian Colliery Owners Association 2 each.

The Committee in forwarding their views, observed that if the effect of the restriction scheme was to enhance the price of coal considerably and beyond certain limits, there was bound to be an outcry on the part of the consuming industries. Until the restriction scheme was formulated in greater detail, its method of operation explained and probable effects on prices assessed, it would be difficult for the Committee on that ground to oppose it. *Prima facie*, therefore, they had no objection to consider a scheme calculated towards price recovery to a normal level instead of the present uneconomic level as at present. One important point, to which the Committee drew attention of Government was the futility of any scheme of restriction which did not take into consideration the vast production of collieries in the Indian States.

Additions to the By-laws of the East India Cotton Association Trading Ring Bye-Laws.

The Government of Bombay invited the views of the Committee on certain additions and amendments to the Bye-Laws of the East India Cotton Association published in the Bombay Government Gazette, dated the 3rd May 1934. They were known as the "Trading Ring" Bye-laws and the necessity for the same arose out of the fact that the Association was taking over the control of the future trading operations in cotton at the Marwari Bazar.

As these Bye-laws were formulated by the trade itself, viz., the East India Cotton Association the Committee informed the Government that they approved of the same.

Bye-law 51 of the East India Cotton Association.

The Government of Bombay invited the views of the Committee on the amendment proposed to by law 51 bye-laws of the East India Cotton. The proposal was to vest in the Board of Directors of the Association power to notify that any Sunday, or a holiday or a half-holiday shall not be a holiday or a half-holiday, as the case may, and shall instead be a trading day for the trading hours as may be fixed. The Committee approved of the proposal.

Amendments to the Articles of Association of the East India Cotton Association, Ltd.

The views of the Committee were invited by the Government of Bombay on the proposed amendments to the Articles of Association of the East India Cotton Association, Ltd., empowering the Governor-General in Council to nominate two growers as Directors of the Association. The Committee approved of the same.

Amendments to the Rules of the Native Share & Stock Brokers Association.

The Government of Bombay invited the views of the Committee on certain amendments to the Rules of the Native Share and Stock Brokers Association published in the Bombay Government Gazette, dated the 28th April 1934. The principal amendment was in regard to Rule 254 in connection with the admission of shares of a company to forward dealings. Under the existing rules one of the conditions for the admission of shares of any company to forward dealings is that the company should have paid dividends for three years preceding the date of application. The amendment sought to give power to the Board of Directors of the Association to relax this condition and to make possible, under certain circumstances, the admission of the shares of companies, which had not paid dividends, but, which had been incorporated for three years previous to the date of application. The Committee approved of the proposed amendments.

IV. GENERAL TRADE AND INDUSTRY.

Discriminatory Treatment of Port Trust godowns by Fire Insurance Companies in the matter of premia.

The attention of the Committee was drawn by some merchants to the discriminatory rates of premia charged by the Fire Insurance Companies to the Port Trust godowns against private owned godowns. It was pointed out that the rates of premia for private-owned godowns were 40 per cent. higher than those for the Port Trust godowns, inspite of the fact that the owners of the former had constructed these godowns in consultation and in accordance with the requirements of the Insurance Companies at considerable costs. Over and above this higher rate, the Insurance Companies had recently increased the rate from 7 annas to 11 annas per cent. on the private-owned godowns, apparently owing to the heavier percentage of loss incurred by them in respect of these godowns compared with that for the Port Trust godowns on the basis of 5 years' experience.

The Committee in addressing the Fire Insurance Companies Association observed that the owners of the private godowns whom they had consulted expressed their willingness to instal sprinklers as also take such other precautionary measures as might be required by the Insurance Companies, provided the rates of premia for their godowns were kept on the same basis as those for the Port Trust godowns. The Committee were of opinion that the Insurance Companies should favourably consider the above request of the owners of private godowns. With regard to the recent increase in the rate of premia, the Committee submitted that it was not fair to base the same on 5 years' experience, and that the Insurance Companies should wait for some time more, say five years more, and see if the experience gained during that period justified any increase in the premia for private owned godowns.

The Association in reply informed the Committee that the experience of private owned godowns had been such that an increase in rates was clearly shown to be necessary as the losses were vastly in excess of the premium. The

Association added that rates for private godowns constructed to meet the Association's requirements were still lower than those for other godowns, and that they were investigating a scheme for sprinkler protection in co-operation with the members interested in private owned godowns.

Double insurance premium for night-shift work in mills.

The attention of the Committee was drawn to the system of Fire Insurance Companies charging double insurance premium from such of the Ahmedabad mills as were working night shift. They thereupon addressed the Fire Insurance Association, pointing out that such a system was unjustified in view of the fact that mills working night shift were already paying premium for insurance on their existing risks. The only ground for charging such a heavy extra premium would seem to be that there was an increased risk involved in the working night shift. In that case the Committee believed that the proper course would be to charge a small extra premium, in addition to the normal premium, for night shift ; but under no circumstances mills should be penalised by charging double the premium. The Committee therefore requested the Fire Insurance Association to favourably consider the suggestion of instituting a small extra charge in place of the present scale of double premium for night shift, particularly in view of the fact that the textile industry was passing through difficult times and any reasonable and just relief, such as the one suggested by them, would doubtless be of considerable help to it.

Diversion of seeds and grain trade from Bombay to other ports.

The Committee were requested by the Seeds Traders Association of Bombay to support its representation to the Government of Bombay re: diversion of seeds and grain trade from Bombay to other ports.

The Committee in supporting the said representation drew attention of Government to the various representations made by the commercial community to them (Government) both Indian and European, in this connection during the last six or seven years. The Committee were glad to note that recently Government, the Port Trust and the local rail-

way authorities had realised the seriousness of diversion of cotton trade from Bombay to other ports and expressed their willingness to accord the much needed relief by way of (1) abolition of Town Duty on cotton, (2) reduction in Port trust charges and (3) reduction in railway freight, respectively.

The Committee, were however, sorry to find that diversion in other trades such as seeds, grain, sugar, etc., had not yet received adequate attention at the hands of the authorities. They observed that the Seeds Traders' Association had made out a strong case for obtaining the much needed relief from the Bombay Port Trust and the local railways. The Committee, therefore, hoped that Government would be pleased to favourably consider the representation of the Seeds Traders Association and impress upon the Bombay Port Trust and the local railway authorities the urgent necessity of giving the relief asked for to the seeds and grain trade of Bombay by way of substantial reduction in (1) the Port Trust charges and (2) the railway freights respectively.

Importation of Japanese Matches with misleading Labels in Cutch.

The attention of the Committee was drawn by the Editor, Cutch Praja Mandal Patrika, to the importation of Japanese matches in Cutch and sale of the same as Indian matches with the device of misleading labels. The Committee thereupon addressed the Central Board of Revenue pointing out that Japanese matches were being imported in Cutch under misleading labels. The ingenious device resorted to was that outer labels of consignments containing dozens of boxes were marked as "Made in Japan" with 'Typewriter' trade mark, while individual match boxes of the same trade mark contained labels, marked "Made in India." The Committee recognised that the Central Board of Revenue might not have any direct jurisdiction in the territory of an Indian Prince but they observed that the matter required serious consideration at the hands of the Central Board of Revenue, for if Japanese matches were allowed to be imported into

the country through Cutch under misleading labels, the same being palmed off as Indian products; the indigenous match industry might be threatened with an abnormal form of competition.

Under the circumstances, the Committee requested the Central Board of Revenue to institute an immediate enquiry into the matter and put a stop to importation of Japanese matches under misleading labels in Cutch in consultation with the authorities of the Cutch State.

The Committee also drew the attention of the Chief Customs Officer of Cutch and urged him to take necessary action to put a stop to importation of Japanese matches in Cutch under misleading labels.

Proposal to change the specification of cotton waste for railway axle box packing.

The views of the Committee were invited by the Indian Stores Department on the proposal to change the classification of cotton waste for axle box packing from "**40% unteased cop bottoms, hand mixed with 60% good quality reeling waste (hard) waste**" to "good quality of reeling waste teased or unteased." It was explained by the Indian Stores Department that there were serious difficulties in obtaining the material according to the existing specification as the tendency in the spinning trade was to eliminate "mule" spinning and to substitute the same by "ring" spinning, thereby appreciably reducing the supply of cop bottoms and that many mills were resorting to the practice of utilising their hard yarn waste for being broken and re-spun into yarn again.

The Committee in reply informed the Indian Stores Department that as the change was necessitated by inadequate supply for the quality according to the present specification, they had no objection to the proposed change.

Proposal to open a Commercial Museum at some centre in the Federation Malay States.

Sometime back the Director General of Commercial Intelligence and Statistics circularised various commercial Associations, inviting their views in regard to the suggestion

to start a Commercial Museum at some centre in the Federated Malay States with a view to bring the Indian article to the notice of the public of the Federated Malay States and to expand the market for the same in that territory. The Committee after consulting the members informed the Director General of Commercial Intelligence and Statistics that they welcomed the proposal to start a Museum as it was a step in the right direction. They, however, informed the Director Generai that the expenses should be defrayed by Government and by fees levied on exhibitors, and that Chambers of Commerce and other public bodies should not be called upon to contribute towards the expenses.

Selling agency of the proposed Sugar Marketing Board.

The Committee were given to understand that it was feared in certain quarters that the selling agency of the newly organised Sugar Marketing Board might be given to some foreign firms. They therefore addressed a letter to the Indian Sugar Mills Associations pointing out that having regard to the fact that Sugar industry was enjoying large measure of protection, it was upto the industry to have their sales organisation entirely Swadeshi. The Indian Sugar Mills Association, in reply informed the Committee that their views would be placed before the Marketing Board in due course.

Interview with the Hon. Mr. T. A. Stewart, I. C. S., Secretary to the Government of India, Department of Commerce.

The Committee had an interview with the Hon. Mr. T. A. Stewart, I. C. S., on Wednesday, the 4th July 1934 when the following questions were discussed :

1. Appointment of Trade Commissioners abroad.
2. Personnel of the Tariff Board.
3. Protection to the Glass Industry.
4. Literature re: Ottawa Committee.
5. Prohibition of imports of certain Indian Articles into Ceylon.
6. Amendment of Indian Merchandise Marks Act.
7. Amendment of Indian Companies Act.

8. Insurance legislation.
9. Difficulties of the Indian Butter Industry.
10. Auditors' Certificates Rules.
11. Commercial Treaties.
12. List of Articles specified in the Seaborne Trade Returns.
13. Freight war between the coasting steamers.

Interview with the Hon'ble Sir Frank Noyce, K. C. S. I., C.B.E., I. C. S., Member in Charge, Industries & Labour Department, Government of India.

The Committee had an interview with the Hon. Sir Frank Noyce, K. C. S. I., C.B.E., I.C.S., on Tuesday, the 26th June 1934, when the following questions were discussed:

1. Supply of Government publications.
2. Indianisation of services in the India Store Department, London.
3. Indians in the service of the League of Nations and International Labour Office.
4. Indian Air Mail Service—Composition of the Transcontinental Airways, Limited.

Interview with South African Trade Commissioner.

The Committee had an interview with Mr. A. T. Brennan the Trade Commissioner of the South African Government on the 4th September. A general discussion in regard to the possibility of a trade agreement between India and South Africa took place, during the course of which it was prominently mentioned that many of the social disabilities which obtained in South Africa against the nationals of this country formed a subject on which Indian public opinion felt very strongly and that unless the disabilities on Indians in that country *qua* Indians were removed, public sentiment would view with suspicion any proposal for reciprocal trade arrangements. It was further pointed out that provision in regard to free citizenship, travel, residence, property rights etc., were a regular feature of most of the trade treaties that were in force between various countries, and that were being entered into from time to time, and that in the fitness

of things such provisions would also have to be incorporated in any treaty that might be entered into between India and South Africa. Mr. Brennan promised that he would take the opportunity of placing the views expressed at the interview before the proper authorities in due time.

Filing of annual list of shareholders.

Under the Indian Companies Act it is compulsory for Joint Stock companies to file with the Registrar of Joint Stock Companies a complete list of the shareholders on the day of the annual General meeting of each year. The Registrar of Joint Stock Companies invited the views of the Committee on a proposal which he had under consideration for recommendation that it should be compulsory for companies to file a complete list of shareholders only once in five years and that in the intervening four years the company should have the option to file a list of the alterations in lieu of the complete list.

The Committee in reply observed that it was not in the interests of shareholding public to have such a change in the procedure. The present practice of filing the annual lists placed a certain check upon the working of a company and afforded the shareholders and members of the public the means of scrutinising the list of shareholders. They, therefore, suggested that there was no need to change the present requirement of filing annual list.

Rule 2 of the Restricted Auditors Certificate Rules, 1932.

It would be recalled that the Committee last year had addressed the Government of India in connection with protests received from some members of the Chamber re: Rule 2 of the Restricted Auditors Certificate Rules 1932, which laid down that every year holders of the Restricted Auditors Certificates intending to continue their practice as Auditors should send a report to that effect to the Government of India. The Government, in reply, observed that the said Rule was framed with a view to enabling the Governor-General in Council to maintain a Register of holders of restricted certificates in practice and to remove therefrom

the names of non-practising members. Under the circumstances, the Government of India believed that the report required to be furnished was necessary to enable the Governor-General in Council to know the number of qualified accountants available in different parts of India to audit the accounts of Joint Stock Companies.

The Committee thereupon again addressed the Government of India pointing out that they did not see any justification for the continuance of Clause 2 of Rule 2 because persons who were enrolled under the Rules had taken permanent restricted auditors certificates. It was clear therefrom that such persons had every intention to continue to practice as Auditors. Moreover such a procedure was unheard of in regard to any other profession like Law, Medicine, Engineering, etc. Under the circumstances, the Committee urged the Government, to delete the clause. The Government of India, in reply, observed that they had nothing to add to their previous reply.

Enrolment on the Register of Accountants under rule 8 of the Auditor's Certificates Rules, 1932.

It might be recalled that this question had been the subject of correspondence between the Committee and the Government of India last year. The Committee had asked for reconsideration of the various applications made by Auditors and Accountants all over India, enjoying responsible position in the profession over a number of years to get the benefit of the rule 8, which was specially inserted for the purpose in the Auditor's Certificates Rules. It was regrettable, however, to know that the Government of India did not see their way at all to either reconsider these applications or retain the rule 8 which expired on 31st March 1934.

The whole correspondence was published in the Press.

Amendment to Rule 2 (2) of the Auditors' Certificate Rules.

Under Rule 2 (2) of the Auditor's Certificate Rules, a person should annually report to the Government about his intention to practice as a registered accountant. The

Government of India published a notification announcing their intention to add a sub-clause to this rule so as to make a person who omitted to send such a report not eligible to practice as an auditor unless on an application made by him the Governor-General in Council subsequently condoned this omission. The Committee had always opposed the principle underlying the submission of such annual reports. The present amendment, they felt, was another avoidable limitation to the rights and privileges of people entitled to practice as auditors. With a view, however, to minimise the hardship that might be involved if the above amendment was accepted, they suggested the addition of a proviso to the sub-clause making it obligatory on the part of Government, to give one week's notice to persons who had not reported as required under this clause before striking off their names from the register. This they explained was intended to safeguard the interests of persons who inadvertently omitted to send a report as required.

Draft amendments to the Auditor's Certificate Rules 1932.

The views of the Committee were invited by the Government of India on the draft amendment to the Auditor's Certificates Rules, 1932, defining what would be deemed to be acts of misconduct on the part of a Registered Accountant. The objects of the amended rules were to lay down rules of conduct for Registered Accountants with a view to proper maintenance of rectitude and integrity of the profession.

The Committee after carefully considering the proposed rules, suggested some modifications with a view to making these rules more explicit and acceptable to the profession.

Amendment to the Auditor's Certificate Rules:

The Government of India, in the Commerce Department, invited by Notification, the views of the Committee on the amendments proposed to the Auditor's Certificate Rules, to enable the students who had failed in the G. D. A. examinations to appear for the examinations under the Au-

ditor's Certificate Rules. The amendments were designed to exempt students who had appeared and failed in the G. D.A. examinations conducted in any of the years 1932, 1933 and 1934 from sitting for the first examination under the Auditor's Certificate Rules, the exemption to be in force till the end of the year 1937.

The Committee approved of the same.

Draft Resolutions for the 7th Annual Session of the Federation of Indian Chamber of Commerce & Industry.
(Vide page 69 of Committee's Report, December 1933.)

The Federation invited draft resolutions, the Committee desired to move for consideration at the 7th annual session of the Federation. The Committee forwarded to the Federation resolutions on the following subjects for being included in the Agenda before the Annual meeting of the Federation to be held in March 1934.

1. Amendment to Indian Companies Act.
2. Currency & Exchange.
3. Appointment of Trade Commissioners abroad.
4. Permanent representation for India at Geneva.
5. Need for planned and co-ordinate efforts for economic recovery.
6. Question of nomination of Indian Employer's Delegates and Advisors to International Labour Conferences.
7. Banking Reforms.
8. Composition of Jail and State aided industries with private enterprises.
9. Amendment to Merchandise Marks Act.
10. Management of the Commercial Departments of the Government of India such as Railways, Posts & Telegraphs.
11. Machinery of the Tariff Board.
12. Need for industrial planning.

Eligibility of Commercial Associations for membership of the Federation of Indian Chambers of Commerce and Industry.

The President of the Federation of Indian Chambers of Commerce and Industry in a communication to the Member-Bodies, informed them that it was felt that certain definite principles should be laid down as to what Associations should be eligible for membership of the Federation. He pointed out that some were of opinion that a rule should be laid down to the effect that only such Commercial Associations would be eligible for membership of the Federation as actually represented trade, commerce or industry in the country, while others felt that there should be no such restrictions for membership. The Committee of the Chamber were asked by the President of the Federation to express their views on the matter. The Committee, in reply, informed the Federation that the present rule regarding admission of members was satisfactory and therefore they did not see any need for change in the same.

Qualifications for members of the Committee of the Federation of Indian Chambers of Commerce and Industry.

The President of the Federation of Indian Chambers of Commerce and Industry asked for the views of the Member-Bodies regarding the change proposed in respect of qualifications of persons desirous of serving on the Executive Committee of the Federation. The proposed change was to the effect that only such representatives of ordinary Members should be entitled to stand for election to the Committee as were actively engaged in trade, commerce or industries. The Committee of the Chamber in expressing their views observed that they were in favour of the present rules and as such were opposed to any change being effected therein.

Representatives of the Chamber to the 7th Annual Session of the Federation of Indian Chambers of Commerce & Industry.

The following four gentlemen were nominated by the Committee to represent the Chamber at the 7th Annual Session of the Federation of Indian Chambers of Commerce and Industry:—

Seth Mathuradas Vissanji, President.

Mr. Manu Subedar, Vice-President.

Sir Purshotamdas Thakurdas, Kt.

Mr. A. D. Shroff.

The Committee also nominated all of them for election as members of the Executive Committee for 1934.

Representative of the Chamber on the Indian National Committee of the International Chamber of Commerce.

Seth Mathradas Vissanji was nominated by the Committee as the representative of the Chamber to the 5th Session of the Indian National Committee of the International Chamber of Commerce.

Procedure re: recommendation of names for nomination of Indian Employers Delegation to International Labour Conference.

This matter had been under consideration of the Committee of the Chamber for some time past, and on a reference from the Federation of Indian Chambers of Commerce and Industry on the subject, they had suggested a procedure to be adopted by which the President of the Federation should forward names of such persons, as were recommended by majority of member-bodies of the Federation, to the President of the All-India Organisation of Industrial Employers or being nominated as Indian Employers Delegation.

The President of the Federation informed the Committee that the Executive Committee of the Federation had duly considered the above suggestion and were of opinion that the following procedure should be adopted, namely:—

(1) That on the issue of the Government Press Communique on the subject, the Federation will, by circular letter, ascertain from the Member bodies whether they had any names to suggest for consideration ;

(2) on receipt of such names from Member-Bodies the Committee of the Federation shall select names to form Indian Employers Delegations ;

(3) the Federation through its President shall forward such selected names to the President of the A. O. I. E. for approval by the Employers Organisation.

The Committee in reply informed the Federation that while they approved of the proposed procedure generally, they were of opinion that names of such persons as were recommended by majority of Member-Bodies of the Federation alone should be forwarded to the President of the A. O. I. E.

The Federation subsequently informed the Committee that their suggestion could not be accepted.

Employers Delegation to the 19th Session of the International Labour Conference.

The Federation of Indian Chambers of Commerce and Industry invited the Committee to make suggestions re: the personnel for the 19th Session of the International Labour Conference. They recommended the following names:

Delegate; Mr. Hooseinbhoy A. Lalljee.

Advisers; Mr. Sarabhai Pratapprai, Bombay,
Pandit Santanam, Lahore.

V. GENERAL.

Attitude of the Indian Commercial Community towards the coming Constitutional Reforms.

The views of the Chamber were invited in March last by the President of the Federation of Indian Chambers of Commerce and Industry along with other member-bodies of the Federation in regard to the attitude to be adopted by the various commercial bodies in the country re : the coming reforms. The Committee in expressing their views observed that it was their considered opinion that in as much as the report of the Joint Select Committee was not yet out and the constitution was still in the melting pot, it would be neither statesmanship nor politic to express any opinion about the nature or working of the coming reforms, and that any expression of views in favour of working the reforms at that stage might cause an incalculable harm to the best interests of the country.

Report of the Joint Parliamentary Committee.

The Committee addressed a communication to the Government of India forwarding their views on the Report of the Joint Parliamentary Committee on Indian constitutional Reforms. They pointed out that the recommendations in the Report were more reactionary than those contained in the White Paper and that the scheme outlined therein definitely fell short of the pledges repeatedly given by His Majesty's Government to frame for India a constitution as near as possible to that of a Dominion within the British Empire with such safeguards for a transitional period as may be shown to be demonstrably in the interests of India. They felt that the Report as a whole disclosed unnecessary hesitation of British politicians to part with power.

One *sine qua non* of every self-governing country is the freedom to develop its trade and industries and control over finance, currency and tariffs. The Committee observed that judged from this standard the Report of the Joint Parliamentary Committee had taken all pains to hedge round the freedom with so-called safeguards with the results

that instead of assuring the development of Indian trade and industries, great care has been taken to see that the future of British trade in India was not in any way affected. The Committee pointed out how under the various reserve powers proposed to be entrusted to the Governors in the Provinces and the Governor-General in the Centre, it would be impossible for the future responsible Govt., of the country to develop its industries and to look to the economic needs of the country.

On the question of Burma they pointed out that apart from the proposed separation, to which they were opposed, provisions about Indo-Burmese relations were extremely inequitable and unjust towards Indians and that the suggestion that the future Government of Burma should have the right of discriminating even against the entry of Indians in Burma, but should not have the same right against the entry of people with British domicile was most sinister. They also regretted the aspersions cast in the report against the activities of the Indian money lenders in Rangoon and retorted that the activities of the British Exchange Bankers both in India and Rangoon was none more philanthropic than those of the Indian money lenders.

They also regretted the proposal to take over the administration of Aden under the Imperial Government. They felt that this was a case where the unanimous wishes of the people had been deliberately flouted and that the reasons advanced for such a change were unconvincing.

Under the circumstances they felt that the Report of the Joint Parliamentary Committee could not be welcomed even as a small step towards self-government and that being reactionary and retrograde, it was their duty to advise the commercial community to reject it as unacceptable.

Press statement issued by the Committee of the Chamber re: inter-provincial feelings.

The attention of the Committee was drawn to the bitter feelings aroused in Bengal re: the attitude of Bombay which, it was alleged, had been inspired by jealousy in criti-

cising the proposal of the Finance Member of the Government of India to give relief by way of remitting half of the proceeds on the export duty on Jute to Bengal and other provinces such as Bihar, Orissa and Assam.

The Committee thereupon issued a press statement observing that Bombay had not been actuated by jealousy in her protest at the public meeting of Bombay held on 2nd March to protest against the procedure adopted by the Finance Member in giving relief to provinces. The Committee pointed out that what Bombay wanted was equitable and fair treatment for herself and did not at all grudge anything being allotted to Bengal. This attitude of the commercial community of Bombay was made clear in a statement issued by the Committee re: the budget proposal on the 3rd March. The Committee also drew the attention of Bengal to the speech delivered by the President of the Bombay Chamber of Commerce at its last annual general meeting who observed that at the Public Meeting of 2nd March he had studiously endeavoured to avoid anything remotelyresembling an attack on Bengal and to confine the issue to presentation of the claims which Bombay Presidency also had for financial help. The Committee further observed that Bombay and Bombay Presidency had always cherished a great regard for Bengal who had produced some of the foremost men in religion, literature, politics, etc., whose services to the national cause were invaluable.

The Committee, therefore, emphasised that the best interests of the country lay in inter-provincial friendship and unity and not in inter-provincial warfare which was suicidal. They therefore appealed to leaders of both Bengal and Bombay to nip in the bud any attempts that might be made to fan into flame inter provincial prejudices.

Quinine policy of the Government of India.

The Federation of Indian Chambers of Commerce and Industry had taken up with the Government of India the question of their Quinine policy. The points which had been stressed by the Federation in this connection were :

(1) the increased cultivation and production of quinine; and

(2) larger supplies of the same to the public at cheap rates.

The Government of India had in their reply to Federation pointed out that as regards (1) they had given their attention to the matter and had even accumulated considerable surplus store of the drug, and that therefore any further attempt at increased cultivation would be premature, and that as regards (2) the question of increased supply was entirely under the reformed constitution within the province of provincial governments. The Committee of the Chamber followed this up with a representation to the Government of Bombay urging upon them the necessity of their taking over larger supplies of quinine from the Central Government and distributing the same at a cheap cost to the public of the Presidency. They pointed out that the question of financial stringency should not stand in the way of Government adopting a progressive attitude in regard to a matter which concerned with the health of the Presidency.

They also addressed the Government of India on the necessity for giving greater attention to the question of research into the cultivation of sinchona plant and suggested to them the desirability of giving the necessary encouragement to private enterprise to undertake extensive cultivation of the sinchona plant.

The Government of India in reply pointed out that the initiative in regard to co-ordinated efforts for combating malaria and the use of quinine rested with the local Governments. They added that if responsible private parties wished to explore the possibility of Sinchona cultivation, Government of India would be glad to examine and accord assistance on their merits.

The Government of Bombay in reply pointed out that the questions raised by the Committee were covered by the recommendations of the Drugs Enquiry Committee and were under the consideration of the Government of India. They also added that the question of obtaining larger sup-

plies of quinine from the stock accumulated with the Government of India, was in correspondence between the two Governments.

Proposal for making certain offences under the Motor Vehicles Act compoundable.

The views of the Committee were invited on the proposal before the Bombay Government to make certain offences under the Motor Vehicles Act compoundable. The Committee after considering the various points raised in the Government Communication observed that police officers should not have the power to compound offences under the Act and that such power should be vested in the stipendary and or Hon. Magistrates of not less than 2nd class. They added that the Magistrates should have also the power to refuse to allow composition even in cases normally compoundable and that notwithstanding the permission for such composition, the accused at his discretion, should have the right to be tried. They felt that when an offence was compounded, the composition should not be regarded as a conviction. Having regard to the different sets of Motor Vehicles Rules prevailing in different provinces, with a view to obtain uniformity, they suggested that the Central Government, should lay down in the Act what offences should not be compounded, leaving it to the local Government, to notify which of the other offences should be compoundable in each province.

Motor Driving licenses.

The Government of Bombay invited the views of the Committee on the serious offences which were to be specifically decided, endorsements on motor drivers' licenses of more than two years standing should be deleted, and clean licenses be issued. The Government in this connection observed that it might be advisable that for certain minor offences the licenses should not be endorsed and that for others the endorsement should be expunged after a certain time, while for the rest the endorsement should be a permanent one. The Committee informed the Government that they were agreeable to the suggestions of the W. I. A. A., and felt that

for minor offences no endorsement should be made, and that when offences were of a serious nature, the specific nature of the offence should be stated in the endorsement.

Proper maintenance of lifts.

The Government of Bombay, invited the views of the Committee on the proposed legislation for the maintenance of lifts in proper and efficient working order, to be enforced on the landlords and owners of premises fitted with passenger lifts. In their communication they observed that in many cases lifts in Bombay were not maintained in efficient condition, and as such contributed to serious accidents, sometimes with fatal results. The Electrical Engineer to the Government, had drafted a set of rules regulating the design, construction, erection and maintenance of lifts in the Presidency. The Committee after considering these rules decided that they need not express any views on the matter. Subsequently the Committee were informed that the Government did not wish to proceed in the matter.

Colonisation Enquiry Committee.

The Government of the Union of South Africa had appointed a Committee to investigate the possibilities of a colonisation scheme for settling Indians both from India and South Africa in other countries. This Committee recommended that British North Borneo, British New Guinea and British Guinea were countries in which investigations as to the successful operation of a colonisation scheme might be made. The Committee of the Chamber in communicating their views on the report and the recommendations of the Enquiry Committee, pointed out that the very idea of any investigation with a view to reducing Indian population in South Africa by any scheme of emigration to other foreign countries did not appeal to responsible Indian opinion and that a large section of the Indian community in South Africa had dissociated themselves with the Enquiry. They further observed that the countries suggested for such colonisation were even on the admission of the Enquiry Committee themselves, for one reason or other, unsuitable for

the purpose, and that, therefore, the Government of India should strongly resist any attempt at pushing through any such scheme for segregating Indians to a part of the world which no other country cared to colonise.

Legislation by the Zanzibar Government seriously affecting the rights and interests of Indians.

The Committee received a cablegram from the Indian National Association, Zanzibar, drawing their attention to the proposed legislation by the Zanzibar Government depriving the Indians acquiring land and dealing in the important local clove industry. The Committee, thereupon, sent a telegram to the Government of India, Department of Education, Health and Lands, enquiring what action Government proposed to take in the matter and urging that sufficient time before passing of such legislation should be secured to enable the measures being thoroughly examined and necessary representations being made from India.

In this connection a public meeting was held under the auspices of the Indian Merchants Chamber and 30 leading Commercial Associations of the City when the following resolutions were passed ;—

1. "This public meeting records its emphatic protest and strong indignation against the action of the Government of Zanzibar in rushing through several laws affecting the rights in landed property and the well established ancient trading rights of the Indian community residing in that territory.

   "This meeting considers that this deliberate action is most objectionable because it is anti-Indian and establishes racial discrimination against Indian nationals calculated to lead to the ultimate elimination from that part of the world."

2. "This meeting appeals to the Government of India to open negotiations on this matter immediately with the Government of Zanzibar and the Colonial Office for the purpose of protecting and safeguarding the legi-

timate interests and rights of Indians and to secure the repeal of these laws.

"This meeting expresses its strong and fervent hope that the Government of India will not fail to secure the pro tem suspension of these laws while the negotiations are going on."

These resolutions were passed on to the Government of India and the Secretary of State for India, London for information and necessary action.

Mandate to the Chambers' representative on the Bombay Port Trust in connection with the proposed appointment of a non-Indian to the temporary vacancy of the secretarial post.

The Committee at their meeting held on the 27th February 1934 passed the following resolution :—

"A mandate be given to the Chambers' representatives on the Port Trust to the effect that they should vote for the appointment of an Indian as Secretary during the temporary vacancy of the present incumbent."

The above mandate was forwarded to their representatives of the Chamber on the Port Trust for necessary action.

Chamber's Representative on the Indian Central Cotton Committee.

The Indian Central Cotton Committee informed the Chamber that the term of office of Mr. Chunilal B. Mehta, the Chambers' representative on that Committee, expired on 31st March 1934, and requested the Chamber to nominate their representative for the next term commencing from April 1934.

The Committee re-nominated Mr. Chunilal B. Mehta as the representative of the Chamber on the Indian Central Cotton Committee.

Representation on the Advisory Committee of the Royal Institute of Science.

The term of office of the sitting representative of the Chamber, Mr. Kapilram H. Vakil, on the Advisory Committee of the Royal Institute of Science having expired with the 31st December, the Committee re-nominated him as their representative for a further period of three years.

Nomination of a representative of the Federation on the Tobacco Committee of the Imperial Council of Agricultural Research.

The Committee being invited by the Federation to suggest a name for nomination of a representative on its behalf on the Committee to be appointed by the Imperial Council of Agricultural Research to examine all matters regarding cultivation, trade, etc., of tobacco in India proposed the name of Mr. Bhogilal Patel of Messrs. Das & Co.

The Committee were subsequently informed that Mr. Pradhan of Gwalior had been nominated as the Federation's representative.

Death of Sir Munmohandas Ramji, Kt., founder of the Chamber.

The Committee at their meeting held on the 15th August 1934 passed the following resolution on the death of Sir Manmohandas Ramji, Kt., founder of the Chamber :—

"The Committee of the Indian Merchants' Chamber record their sense of the great loss to the Indian commercial community in the death of Sir Munmohandas Ramji Kt. He was the founder of this Chamber and its President and has rendered valuable services. His memory will ever remain green in the hearts of those who worked with him. Bombay has lost in him an outstanding citizen, and India a great patriot. For more than a generation he occupied a central place in the public life of the City and of the country. The Committee desire to place on record their appreciation

to the great services rendered by Sir Munmohandas.'

The Committee then adjourned as a mark of respect to the memory of the late Sir Munmohandas Ramji, without transacting any business.

The Late Sheth Lalji Naranji.

The Committee record with deep regret the sad death of Seth Lalji Naranji on the 16th of May 1934. The Office of the Chamber was closed on that date and at the special meeting of the Committee held on 19th May the following resolution was passed :—

"The Committee of the Indian Merchants' Chamber place on record their deep sorrow at the death of Seth Lalji Naranji who was twice President of the Chamber and was a member of the Committee for 12 years. His services to the Chamber as President and as a member of the Committee were extremely valuable and meritorious and helped greatly the Chamber to occupy its present eminence. He served the Chamber and the general public as representative of the Chamber on the Bombay Legislative Council and the Bombay Port Trust, on both of which bodies he displayed fearless independence. In this public life he was actuated by genuine nationalism and by feelings of loyalty and devotion to his country. His contribution to the cause of the commercial community was great. The Committee place on record all these services and contribution."

At a meeting of the citizens of Bombay, convened by the Sheriff, in honour of Seth Lalji Naranji, it was decided to raise a suitable memorial for the deceased and accordingly a Memorial Committee was formed for the purpose. The Memorial Committee decided that the memorial should take the form of a building for the Indian Merchants' Chamber and invited the opinion of the Chamber on the proposal and are in collaboration with the Committee, taking steps to further the fulfillment of the memorial scheme.

Death of Sir Cowasji Jehangir (Sr.) Bart.

The Committee at their meeting held on the 1st August, 1934, passed the following resolution on the death of Sir Cowasji Jehangir (Sr.), Bart:—

"The Committee of the Indian Merchants' Chamber have learnt, with great sorrow, of the death of Sir Cowasji Jehangir, Bart., and put on record their sense of the great loss the commercial community suffered through the death of this philanthropist-businessman, whose catholic and broadminded charities in the cause of education and other objects are so well appreciated throughout the country. The Committee tender their heart-felt condolences to Lady Cowasji Jehangir (Sr.) and Sir Cowasji Jehangir, the new Baronet."

Death of Mr. M. V. Merchant.

The Committee passed a resolution placing on record their sense of loss at the sad and premature death of Mr. M. V. Merchant, a member of the Committee for some years.

Late Mr. N. M. Muzumdar.

At their meeting held on the 27th November, 1934, the Committee passed the following resolution :—

"The Committee of the Indian Merchants' Chamber place on record the services rendered by the late Mr. N. M. Muzumdar to the Chamber as a member of the Committee for several years. His deep and extensive knowledge of economic and financial matters was unreservedly placed at the disposal of the Chamber, which has lost in him a brilliant and devoted member. His loss is not a loss to the Chamber only, but to the City and the Commercial community also.

The Committee accord their deep condolences to the members of his family."

Legislatures.

As members are aware at the second Quarterly General Meeting of the Chamber held on Tuesday, the 31st July 1934, the following resolution was passed :

"It is resolved that the Chamber should now send its representatives to the legislatures."

Accordingly the Government of Bombay called upon the Chamber in August last to elect its representative on the Bombay Legislative Council and Mr. Lakhmidas Rowjee Tairsee was elected.

In the election for the Legislative Assembly which was held in November 1934, Mr. Mathuradas Vissanji was elected.

Constituency for the election of representatives of Commerce and Industry in the Central and Provincial Legislatures.

As members are aware, the following recommendation of the Committee to the General Body was considered at the First Quarterly General Meeting of the Chamber held on the 28th April 1934.

"With a view to broaden the franchise and to give equal opportunity to members of all affiliated Commercial Associations, the Committee recommend to the General Body at the Quarterly Meeting to be held on the 28th instant, to Resolve that Rule No. 9, Schedule 2, of Electoral Rules of the Constituency of the Chamber, should be amended to read as follows :—

Members of the Indian Merchants' Chamber & Bureau (including members of all Associations affiliated thereto shall be qualified as electors for the Constituency.

The General Body is of opinion that the same principle should be applied to the Electoral Rules for the Bombay Legislative Council. The General Body authorises the Executive Committee to take all necessary steps to give effect to this Resolution and to request Government to make necessary amendments before the next elections for the Assembly and the Local Council are held."

As at the Quarterly meeting, no decision was arrived, the same was further considered at the Adjourned general

meeting of the Chamber held on 30th June 1934 and the following amendment was passed:—

"This meeting accepts the principle of extending the franchise relating to elections to Legislatures by the Chamber and refers the matter back to the Committee with a mandate to frame the scheme after taking elegal opinion, if necessary, the Committee to present their report within two months from this date."

Accordingly the matter is being examined by the Committee.

Payment of Indian Stores Department Bills by special crossed cheques.

The views of the Committee were invited by the Chief Controller of Stores, Indian Stores, Dept., on the proposal to introduce the practice of payment of Indian Stores Department Bills by specially crossed cheques "account payee only" in order to ensure payments to the correct parties in respect of stores purchased through the Indian Stores Department. The Committee in forwarding their views observed that they approved of the system of payment of the Bills by crossed and order cheques. They were, however, not in favour of payment on "account payee only." They felt that crossed and order cheques would ensure payments to the correct parties for which the Stores Department contemplated to introduce that system.

Reduction in admission fee for membership of the Chamber.

The Committee passed a resolution at their meeting held on 27th March recommending to the General Body to reduce the admission fee for membership of the Chamber from Rs. 100 to Rs. 50. This recommendation of the Committee was subsequently passed by the General Body at the First Quarterly Meeting of the Chamber on 28th April 1934.

Certification of Swadeshi goods.

Members are aware the Chamber has in operation a scheme for certifying Swadeshi goods and that a special Board

called the Swadeshi Certifying Board has been appointed to receive and consider application for certificates. So for 90 certificates have been issued. It must therefore, be repeated that generally speaking manufacturers have been very apathetic in availing themselves of these certificates. It is, however found that recently organisers of fairs and exhibitions and Swadeshi Markets are asking for the production of such certificates in respect of the exhibits at such fairs. The Committee hope that with the growth of the Swadeshi movement the utility of the scheme will be greater and that the certificates will be availed of in larger numbers.

Commercial Examinations.

There were in all 202 candidates for the commercial Examinations of the Chamber held in May 1934 being the 8th year of the Examinations. Out of these 128 candidates were for the various Diploma examinations and the remaining for single certificate examinations. The results of the examinations showed that 48 candidates were successful in the Diploma section and 33 in the single certificate section. The examinations were held in the following centres :

Bombay	Poona
Ahmedabad	Calcutta
Lahore	Bangalore
Madras	Delhi
Karachi	Mysore
Calicut	Benares
Narasapur	Bezwada

Membership of the Chamber.

At the beginning of the year there were 489 members. During the year 101 members were elected and 24 discontinued their memberships (16 having resigned, 4 having been struck off the rolls for arrears of subscription and 4 having died). There are thus now on the rolls 566 members.

Statement of accounts of the Chamber.

The statement of accounts of the Chamber for the year ending 31st December 1934 with the Auditors Report is annexed hereto.

It will be observed therefrom that a sum of Rs. 3782-10-0 has been received as contribution from the representatives of the Chamber on the various public bodies. The best thanks of the Committee are due to the gentlemen who have made these contributions.

THE INDIAN MERCHANTS' CHAMBER

Dr. *Receipts and Payments Account from 1st January 1934 to 31st December 1934.* **Cr.**

RECEIPTS.						PAYMENTS.			
		Rs.	a.	p.			Rs.	as.	p.
To Balance brought forward as per last year's account.		50,766	7	5	By Establishment charges		24,600	13	3
,, CAPITAL FUND A/C.					,, Rent, Insurance & Electric charges		3,746	6	6
101 New members : 10 @ Rs. 100 & 91 @ Rs. 50/- each	Rs. 5,550/-				,, Telephone rent.		550	3	0
37 applications for membership received in advance @ Rs. 50 each ..	1,850/-	7,400	0	0	,, Postage & Telegrams		1,894	8	0
,, MEMBERSHIP SUBSCRIPTION :					,, Printing Reports, etc.		3,223	0	0
416 Resident members @ Rs. 75/- each	31,200/-				,, ,, Journal		1,620	0	0
69 Ltd. Companies @ Rs. 100 each, ,,	6,900/-				,, Stationery.		1,540	1	9
28 Association Members @ 125/- ,,	3,500/-				,, Commercial Examinations (including Honorarium, expenses, etc.)		1,474	6	0
53 Mofussil Members @ 25/- each. ..	1,325/-				,, Subscriptions to newspapers & Periodicals ..		581	5	10
Outstanding realised.	5,950/-				Books for Library :				
	48,875/-				,, from Chamber's a/c	Rs. 355-13 0			
Less :	Rs.				,, ,, B. F. Madon Portrait Fund Surplus.	,, 55- 5-6	406	2	6
Subscriptions outstanding	6975/-				,, Miscellaneous charges.		385	14	3
Last year's bad debt : 8 @ 75/- each. and 1 @ 100/-	700/-				,, Upkeep of Library, including Binding charges		195	4	0
Subscription received last year of one mofussil member @ 25	25/-	7,700/-	41,175	0 0	,, Carriage Hire.		277	7	6
					,, Chairs, etc. Hire...		196	4	0
Payments received in advance :—					,, Commission on Adverts. in Journal.		181	0	0
1 Mofussil Member @ 25/- and 1 Assocn. Member @ 125/-	150/-				,, Auditors' Honorarium for 1933.		100	0	0
3 Resident members (2 decd. and 1 dissolved) @ 75/- each.	225/-				,, Repairs to Typewriters, etc.		110	12	0
Payment recd. in advance from 37 new applicants : (26 @ 75/- & 11 @ 25/- each	2,225/-				,, Membership subscription to Federation of Indian Chambers of Commerce & Industry. ..		150	0	0
		2,600	0	0	,, Contribution to Indian Chamber of Commerce in Great Britain, London		28	9	6
					,, Deposit with Central Publication Branch, Govt. of India, Delhi. ..		49	9	6
					,, Loan to Clerks & Peons (recoverable). ..		475	0	0
					,, Office appliances.		100	0	0
					,, Furniture & Fittings.		62	7	0
					,, Bank Commission.		4	10	0

Contributions from Chambers representatives on various public bodies.	3,782	10	0	,, Public meeting re: Zanzibar anti-Indian legislation.		99	12 0
Fees for Commercial Examinations.	2,457	0	0	,, Safe Custody charges (Securities)		7	0 0
Interest on Investments & current a/cs. ..	1,717	15	0			42,120	8 7
Advertisements in Journal	862	12	0	,, BALANCE :—			
Subscriptions to Journal	155	8	0	,, CAPITAL FUND :—			
Fees for Certificates of Origin.	980	0	0	5% Govt. Loan of Rs. 5000 (1945-55) @ cost.	5,425 0 0		
,, Swadeshi Certificates.	245	0	0	5% Municipal loan of Rs. 10000 @ cost.	8,862 8 0		
Sale of members' lists, etc.	597	0	0	Fixed Deposit with Central Bank of India @ 3½%	20,000 0 0		
,, of Syllabus & Q. Papers for Coml. Exams.	25	0	9	In current a/c with Central Bank of India.	7,412 8 0		
Preliminary & Renewal fees for Swadeshi Certificates.	55	0	0		4,1700 0 0		
Sundry Receipts...	6	8	0	,, OTHER INVESTMENTS :			
Loan recovered from Clerks & Peons. ..	300	0	0	4% Port Trust Bonds of Rs. 2000 @ cost.	2,025 0 0		
Deposit with Govt. of India, Central Publication Branch, as per last year's account. ..	5	1	6	6½% Development Loan of Rs. 3000 @ cost	3,000 0 0		
Arbitration fees.	50	0	0		5,025 0 0		
Assembly Election Deposit.	1,000	0	0	,, CASH :			
				In current a/c with Central Bank of India.	16,745 1 9		
				In current a/c with Bank of India.	7,880 12 2		
				On Hand (including cheques) ..	709 8 2		
					25,335 6 1	72,060	6 1
Total. Rs.	1,14,180	14	8	Total Rs.		1,14,180	14 8

J. K. MEHTA, *Secretary* MATHURADAS VISSANJI, *President.*

We have examined the above account of Receipts and Payments with books and vouchers of the Indian Merchants' Chamber and certify the same to be correct.

Bombay, 3rd January 1935. DEVIDAS VITHALDAS & CO. *Auditors.*

I. TRANSPORT AND COMMUNICATIONS.

APPENDIX I.

Grievances of Small Steamship Companies.

Letter No. 1983, *dated 2nd August* 1934, *from the Chamber to the Government of India, Commerce Department.*

The Committee of this Chamber had addressed Government in October 1933 regarding competition carried on by foreign shipping interests against the small Indian steamship companies plying on the coast of India. They regret to note that, so far, Government have not been pleased to send any reply to the same. Since then, my Committee understand, the position of these small steamship companies has been worsened; and in view of this, they would further like to address Government in the matter as under:

In the first place, my Committee would like to refer to the assurance that His Excellency the Viceroy gave to the deputation of Indian shipowners that waited upon him in October 1932, that if the freight war waged against small steamship companies was not stopped and if they were not taken into Conference by the larger shipping companies plying on the coasts of India on reasonable terms, steps would be taken to call a Conference of all interests so that the small steamship companies might form part of the Conference and live and grow as an integral part of an Indian Mercantile Marine. My Committee understand that on the basis of this assurance, negotiations did occur between the Association of Small Steamship Companies and the Conference Liners regarding the admission of the former in the Conference. These negotiations unfortunately did not fructify, and the matter appears to have come to a deadlock. In order to get the position out of the deadlock and to enable the parties to come to an amicable settlement, what is now required, my Committee submit, is a conference of all interests concerned, as promised by His Excellency Lord Willingdon in October 1932. My Committee are of opinion that the time

has come to move in this direction before serious harm is done to Indian shipping interests.

The need for such a conference has become urgent on account of the recent events culminating in a freight war which has substantially reduced the rates of freight from all the important ports on the coast. The entire shipping engaged in the coasting trade of the country is to-day working at a loss, and my Committee feel that it is the duty of Government to prevent this internecine warfare before the resources of the Indian companies are seriously crippled.

The question of freight rate is not alone in the field. There is further the whole question of Indian companies participating in the coastal trade with adequate tonnage, on which point repeated assurances have been given by Government. My Committee are informed that in recent times there has been an increase of about 80,000 tons in non-Indian shipping, while there has been no corresponding increase in the tonnage of the small Indian steamship companies. Amongst the reasons leading to this position, appears to be the insistence on the part of non-Indian companies and the older companies that no negotiations would be started for admission into Conference agreement of smaller Indian companies unless they restrict the volume of their tonnage to the present capacity. Such an insistence appears, to my Committee, to be mischievous and in direct controvention of the spirit of the undertaking given by the Government of India. My Committee are, therefore, of opinion that the time has come for Government to intervene in the matter and to see that the pledges and assurances given to Indian shipping are fulfilled in letter and spirit before the Indian interests are seriously crippled.

APPENDIX 2.

Restrictions on Transhipment by Country-Crafts.

Letter No. 2773, dated 15th November 1934, from the Chamber to the Collector of Customs, Bombay.

The attention of the Committee of this Chamber has

been drawn to the fact that the Customs authorities do not allow transhipment of consignments from the steamers by country crafts. Sometimes shipments of commodities intended for other ports come in steamers bound for Bombay, and if they are allowed to be transhipped in stream into country crafts, it will very much reduce the overhead charges in connection therewith and facilitate small trades. My Committee would like to be informed as to the practical difficulties in allowing such transhipments and as to the reasons why the Authorities do not allow the same.

Letter No. C. 1264-34, dated 26th November 1934, from the Collector of Customs, to the Chamber.

I have the honour to refer your letter cited above.

2. The position is that transhipment of goods liable to import duty, or subject to any restriction on import, and destined for any Customs port in the Bombay Presidency other than the ports of Bombay and Karachi, is prohibited—whether by country craft or by steamers. Transhipment to ports in Kathiawar is permitted by steamers only.

3. The prohibitions referred to are of very long standing and are sanctioned by authority of the Government of India. They apply not only to transhipments at Bombay, but at other Customs ports as well.

4. I regret that I am unable to enter fully into the reasons that may have actuated Government in prescribing these restrictions. Should your Chamber wish to make a representation on the subject, such representation should be addressed to the Government of India in the Commerce Department.

Letter No. 2988, dated 8th December 1934, from the Chamber to the Government of India, Commerce Department.

I am directed to send you herewith copies of correspondence that has passed between this Office and the

Collector of Customs, Bombay, on the subject of restrictions on transhipment of goods by country crafts. As mentioned in the letter to the Collector, my Committee would like to be informed as to the practical difficulties in allowing such transhipments, and as to the reasons which impelled the Authorities to put such restrictions.

These restrictions are found to be a handicap on trade. It is both expensive and inconvenient to land goods first and then to transport them by steamers or by country crafts. It is true that transhipment by steamers is allowed to ports in Kathiawar, but merchants find it very economical to tranship and despatch goods by country crafts. Country craft is now, as is the experience in Europe, a dying trade and industry, and it plays a very important part in the coastal trade of India. My Committee will be obliged, therefore, if the Government of India will be pleased to explain the causes and reasons why transhipment both by steamers and country crafts is not allowed to any Customs Port in the Bombay Presidency other than the ports of Bombay and Karachi, and also why it is not allowed by country crafts to ports in Kathiawar.

Letter No. D. A. Dis. 1400-*Cus.* 1/34, *dated* 13*th February* 1935, *from the Government of India to the Chamber.*

With reference to the letter quoted above, I am directed to say that transhipment of dutiable goods to subordinate customs ports in the Bombay Presidency is prohibited as these ports are inadequately equipped to deal with such goods. The transhipment of dutiable goods to Kathiawar ports is allowed by steamers only as this mode of conveyance affords some guarantee that the goods will be carried to their declared destinations.

APPENDIX 3.

Indian Merchant Shipping Rules.

Re: 1. Load Line.

Rs: 2. Distress Message & Warning.

Rs: 3. Safe Convention Certificate.

Rs: 4. Timber Cargo.

(*Note: In regard to Nos.* 3 *&* 4, *the Chamber communicated that they had no remarks to offer. The draft Rules and the Correspondence may be referred to in File R.* 52 *of* 1934).

Letter No. 1986, *dated 2nd August* 1934 *from the Chamber to the Mercantile Marine Department, Bombay.*

I am directed by the Committee of this Chamber to acknowledge receipt of your letter No. C50/2574, dated 3rd July, 1934, on the above subject, and, in reply, to inform you as under :

My Committee have no objection to the above rules. They would, however, observe, that the tropical period in the Bay of Bengal and the Arabian Sea has been considerably reduced under the proposed rules. My Committee are of opinion that there is not sufficient justification for the reduction of this tropical period in the two areas mentioned above, and hope that Government, as desired by the shipowners of the several countries at the Conference, would give a definite assurance that they would carefully study the meteorological data of the Bay of Bengal and the Arabian Sea with a view to the revision of the tropical period in the near future.

Letter No. 1988, *dated 2nd August* 1934, *from the Chamber to the Principal officer, Mercantile, Marine Department, Bombay.*

I am directed by the Committee of this Chamber to acknoweledge receipt of your letter No. C.50/2420, dated 21st, June 1934, on the above subject, and to submit hereby their views as under :—

My Committee have no objection to the framing of these Rules provided they do not conflict either with the Rules of the latest International Radio Telegraphic Convention or with the Rules of the International Convention for the Safety of Life at Sea, 1929.

Rule No. 4: Distress Signals—(a) Day Time Signals.

The International Convention for the Safety of Life at Sea, 1929, states "The International Code of Signals of Distress." The words indicated by "N. C." have been scratched from the Articles of the Convention in question although these signals were always used. It is, therefore, necessary that the proposed flags for the day time distress signals should be in conformity with the provisions of the International Convention of Safety of Life at Sea, 1929.

APPENDIX 4.

Indian Merchant Shipping (Life Saving appliances Rules).

Letter No. C 50/2421, *dated 21st June* 1934, *from the Principal officer, Mercantile Marine Department, Bombay to the Chamber.*

I have the honour to forward herewith a copy of Government Notification, Department of Commerce, No. 46-M. 1 (12)/ 33, dated the 2nd June 1934, publishing for criticism a draft of certain rules which it is proposed to make under Section 191(1) of the Indian Merchant Shipping Act, 1923, (XXI of 1923) in regard to the provision of appliances for saving life.

I request that you will be so good as to furnish me with your observations on the draft rules by the 15th July 1934, for communication to the Government of India.

Letter No. 1989, dated 2nd August 1934, from the Chamber to the Principal officer.

I am directed by the Committee of this Chamber to acknowledge receipt of your letter No. C. 50/2421, dated 21st June 1934, on the above subject, and to submit their views as under:

Under the category of the ships of the 9th class only passenger steamers plying between Dhanushkodi and Talaimannar have been included by way of exception, although they do go more than 5 miles from the nearest land. It is quite essential that Schedule Voyages as mentioned in the Notification (Commerce Department) No. 55-M-1/29, dated 27th April 1929, and subsequently amended, should be included under class 9, although ships performing some of these voyages do go more than five miles from the nearest land. These schedule Voyages are as follows:—

Bombay	to	Harnai
Bombay	,,	Dahbol
Bombay	,,	Viziadrug
Bombay	,,	Goa
Tuticorin	,,	Colombo
Ramree	,,	Cheduba
Aden	,,	Barbera
Aden	,,	Zeila
Aden	,,	Jibuti
Aden	,,	Perim
Chittagong	,,	Barisal
Chittagong	,,	Naaf River
Chittagong	,,	Cox's Bazar
Calcutta	,,	Chandabli.

In case Burma is separated from India, steamers classed as ships of class 6 and ships of class 7 will no longer

be included in those categories, but might be classed as class 1, 2, 3, 4 or 5. In view of the passenger steamers, specially built for this trade and plying on that run for years past, the mere accident of the separation of Burma from India should not become an occasion to impose upon those ships new burdens by way of meeting the requirements of these Rules for the carriage of Life Saving Appliances. They should even in that eventuality continue to be classed as ships of class 6 and ships of class 7 as the case may be.

As regards the obligation to carry approved type of line throwing appliances, as these are no shore stations established for the use of this appliance in India and Burma, the carriage of such an appliance will be of no use, inasmuch as it cannot be used. This appliance should be obligatory only on ships of class 1.

Rule 31, sub-rule 3—Equipment of boats.

Ships of class 12 should be included in this class and they should not be compelled to comply with the provisions of (*j*) and (*m*) of sub-rule 1 of Rule 31.

Rule 42—Certificated Life boatmen.

Unless Government provide the necessary facilities for the training of the lascars as Certificated Lifeboatmen, my Committee object to the provision of this rule as it stands. If Government desire the ships to comply with rules which they make, my Committee are of opinion that it is the duty of Government to give the crew of the ships ample opportunities for the training necessary for the compliance of such rules. So far as my Committee are aware, no such facilities have been provided by Government in this connection in this country.

Rule 43, sub-rule 5—Equivalents and Exemptions.

My Committee are of opinion that it would be perfectly clear and reasonable to exempt all ships, the keel of which was laid before the 1st July 1933 from the application of this Rule.

Rule 48, sub-rule 2—Emergency Signals.

After the words "different languages," my Committee have to state that the words "commonly used or understood by the majority of the passengers travelling by such ships" should be added. The object of their suggestion is that the notices are meant for the information of the passengers and unless they are printed in languages which the passengers understand, the object of the rule will not be achieved.

With the above observations, the Rules meet with the approval of my Committee.

APPENDIX 5.

Indian Merchant Shipping (Fire appliances) Rules.

Letter No. C 50/3069, dated 10th August 1935, from the Principal officer, Mercantile Marine department, Bombay to the Chamber.

I have the honour to forward herewith a copy of Government Notification, (not reproduced) Department of Commerce, No.46-M.I. (6)/34, dated the 28th July 1934, publishing for criticism a draft of certain rules which it is proposed to make under Section 191(3) of the Indian Merchant Shipping Act, 1923 (XXI of 1923) in regard to the provision of fire extinguishing appliances.

I request that you will be so good as to furnish me with your observations on the draft rules by the 10th September 1934 for communication to the Government of India.

Letter No. 2470, dated 3rd October 1934, from the Chamber to the Principal officer.

I am directed to refer to your circular letter No. C.-50/3069 of the 10th August 1934 on the above subject, and in reply to say that my Committee generally approve of the draft rules.

They would, however, like to point out that these rules should be applicable only to ship whose keel was laid on or after July 1933.

There should also be a provision in the same to exempt small passenger ships built for certain services, such as Bombay-Goa, Bombay-Tuticorin from the strict application of all or part of these rules as they will be running more or less in sheltered waters. It would, therefore, be necessary to adopt a clause similar to the one occurring in the International Convention respecting Load-Lines which reads as under :

> "Ships when engaged on International voyage between the near neighbouring ports of two or more countries may be exempted by the administration to which such ships belong from the provision of this Convention, so long as they shall remain in such trades, if the Government of the countries in which such ports are situated shall be satisfied that the sheltered nature and condition of such voyage between such ports make it unreasonable or impracticable to apply the provisions of this Convention to ships engaged in such trades."

My Committee suggest that their above additional suggestions may be incorporated in the rules.

APPENDIX 6.

Indian Merchant Shipping (Control of Watertight opening) Rules.

Letter No. C. 50/2939, dated 1st August 1934, from the Principal Officer, Mercantile Marine Department, Bombay, to the Chamber.

I have the honour to forward herewith a copy of Government Notification (not reproduced) Department of Com-

merce, No. 46-M. I. (7)/34, dated the 14th July 1934, publishing for criticism a draft of certain rules which it is proposed to make under Section 145A of the Indian Merchant Shipping Act, 1923 (XXI of 1923), relating to control of Watertight openings.

I request that you will be so good as to furnish me with your observations on the draft rules by the 3rd September 1934, for communication to the Government of India.

Letter No. 2472, dated 3rd October 1934, from the Chamber to the Principal officer.

I am directed to refer to your circular letter No. C. 50/2939, dated the 1st August 1934, inviting the views of my Committee on the above draft Rules, and in reply to say that as they are framed in accordance with the provisions of the International Convention for the Safety of Life at Sea, 1929, with the necessary modifications in fair weather in tropical waters, my Committee generally approve of the same.

APPENDIX 7.

Rules under the Indian Merchant Shipping Act.

Letter No. C 50/4729, dated 6th December 1934, from the Principal officer, Mercantile Marine Department, Bombay to the Chamber.

I have the honour to forward herewith a copy of Government Notification, Department of Commerce, No. 58-M I. (2)/34, dated the 1st December 1934, publishing for criticism a draft of certain further amendments which it is proposed to make to the rules published with the Notification of the Government of India in the late Finance and Commerce Department, No. 1354, dated the 14th March 1889, under Section 191 (1) of the Indian Merchant Shipping Act 1923 (XXI of 1923) in regard to the provision of medicines

and surgical appliances on board ships, and to request that after a careful examination of them, you will be so good as to furnish me with your observations thereon *not later than the 18th December* 1934 for communication to the Government of India.

NOTIFICATION.

Merchant Shipping.

The following draft of certain further amendments to the rules published with the notification of the Government of India in the late Finance and Commerce Department, No. 1354, dated the 14th March 1889, which it is proposed to make in exercise of the powers conferred by sub-section (1) of section 191 of the Indian Merchant Shipping Act, 1923 (XXI of 1923), read with section 20 of the Indian Merchant Shipping (Second Amendment) Act, 1933 (XXV of 1933) and with section 22 of the General Clauses Act, 1897 (X of 1897), is published as required by sub-section (3) of section 191 of the Indian Merchant Shipping Act 1923 (XXI of 1923), for the information of all persons likely to be affected thereby, and notice is hereby given that the said draft will be taken into consideration by the Governor General in Council on or after the 24th December 1934.

Any objection or suggestion which may be received from any person with respect to the draft before the said date will be considered by the Governor General in Council

Draft Amendments.

(1) In Sub-rule (1) of rule II of the said rules—

(i) For clauses (*a*) and (*b*) the following clause shall be substituted, namely :—

"(*a*) Every ship which carries more than one hundred passengers and which is engaged either on a long voyage or on a short voyage of a duration of 72 hours or more shall have on board a supply of medicines and surgical appliances as prescribed in Schedule A Annexed to these rules."

(ii) Clause (*c*) shall be relettered (*d*) and in the said clause as so relettered, the words, brackets and letter "or clause (*b*)" shall be omitted.

(iii) For clause (*d*) the following clause shall be substituted, namely :—

"(*c*) Every ship, other than a ship referred to in clause (*d*), which carries more than one hundred passengers and which is engaged on a short voyage of less than 72 hours duration, or which carries one hundred or less passengers shall carry a supply of medicines and surgical appliances as specified in Schedule B annexed to these rules."

(iv) Clauses (*e*), (*f*) and (*g*) shall be relettered (*d*), (*e*) and (*f*), respectively.

(2) After sub-rule (3) of rule II of the said rules the following sub-rules shall be inserted, namely :—

"(4) The medical officer of every ship required to have on board a medical officer shall be licensed by the local Government and appointed by or on behalf of the owner of the ship. Every person desiring to obtain a license to act as such medical officer shall apply for a license to the Health Officer of the port of first departure.

(5) The license shall be renewable yearly and shall be in form III in Schedule D annexed to these rules.

(6) A person shall not be eligible for appointment as medical officer unless he—

(*a*) is able to write English, and

(*b*) (*i*) holds a medical qualification registered in the United Kingdom, or

(*ii*) holds a degree or license of a University constituted by law in British India, and is registered in British India, or

(*iii*) is a Fellow or Member of the Bombay College of Physicians and Surgeons or of the State Medical Faculty of Bengal or of the State Medical Faculty of the Punjab and registered in British India, or

(iv) is a Military Assistant Surgeon who has passed the special examination conducted by the Director General, Indian Medical Service, prior to 1922 and is registered in British India."

(3) In Schedule A to the said rules—

(i) For the brackets, words, figures and letters "[see Rule II (1) (*a*) and (*b*)]", the following shall be substituted, namely :—

"[See Rule II (1) (a)]".

(ii) For the words, figures and brackets "Medicines and surgical appliances necessary for a ship carrying 100 or more persons (including crew and passengers) on a "long voyage" and for a ship on a "short voyage" licensed for 800 or more passengers and having on board a Surgeon" the following shall be substituted, namely :—
"Medicines and surgical appliances necessary for a ship carrying more than one hundred passengers on a "long voyage," or on a "short voyage" of a duration of 72 hours or more."

(4) In Schedule B to the said rules—

(i) For the brackets, words, figures and letter "See Rule II (1) (*d*)" the following shall be substituted, namely :—

"[See Rule II (1) (*c*)]".

(ii) For the words and figures "Medicines and surgical appliances necessary for a ship on a 'short voyage' carrying less than 800 passengers, or carrying 800 or more passengers but not having a Surgeon on board, and for a ship carrying less than one hundred persons on a 'long voyage,' or carrying one hundred or more persons on a 'long voyage' but not having a Surgeon on board" the following shall be substituted, namely :—

"Medicines and surgical appliances necessary for a ship carrying more than one hundred passengers on a 'short voyage' or less than 72 hours duration, or carrying one hundred or less passengers."

(5) In Schedule D to the said rules after Form No. II the following form shall be inserted, namely :—

"Form No. III.

[See Rule II (5)]

Form of License to be granted to Medical officers.

The bearer of this..... holding a certificate to practice medicine and surgery,..... .....from ..... is licensed to have medical charge of unberthed passengers under the provisions of the Indian Merchant Shipping Act, 1923.

This license holds good for one year from this date. Dated.....

(Here enter seal of Office.)

Signature of recipient.

(Sd) .....

Health Officer,

Port.*

H. DOW.

Joint Secretary to the Government of India.

Letter No. 3089, *dated 20th December* 1934, *from the Chamber to the Principal Officer.*

I am directed to acknowledge receipt of your letter No. C. 50/4729, dated the 6th instant, and in reply to say that my Committee have no objection to the amendments proposed to the Rules under the Indian Merchant Shipping Act in Government of India, Commerce Department, Notification No. 58-M. I. (2)/34.

APPENDIX 8.

Indian Pilgrim Ships Rules.

Letter No. 6276/*XVII*/*C*—10966-*B*, *dated 26th October* 1934, *from the Principal officer, Mercantile Marine Department, Bombay, to the Chamber.*

I am directed by the Governor in Council to forward herewith a copy of Government Resolution No. 6276-XVII, (not reproduced) dated the 26th October 1934, regarding draft amendments to the Indian Pilgrim Ships Rules 1933, and to request that you will be so good as to communicate to Government by the 12th November 1934 at the latest any observations which your Chamber may desire to make in respect thereof.

Letter No. 2808, *dated 19th November* 1934, *from the Chamber to the Principal Officer.*

With reference to your letter No. 6276-XVII/C-10966 B, dated 26th October 1934, I am directed to inform you that my Committee have no views to offer on the above draft amendments.

APPENDIX 9.

Revision of the Scale of provision to Lascar Seamen.

Letter No. 31-M 11 (5)/34, *dated 9th July* 1935, *from the Government of India, Commerce Department, to the Chamber.*

I am directed to address you on the subject of certain changes that have been suggested in the food scale for Lascar Seamen prescribed by the Government of India in this Department Notification No. 31-M. II/30, dated the 1st August 1931. These suggestions have been made as the result of an informal conference of medical officers of the India Office, the Ministry of Health, and the Mercantile Marine Department, which was recently held in London under the auspices of the Board of Trade and their object is to amend the dietary for Lascar Seamen in the light of modern knowledge and in such a way as to afford them a greater degree of immunity from Beri Beri than the existing dietary does.

2. At this conference the following recommendation was finally made :—

> 'That the proportion of vegetables (particularly potatoes) might well be increased from 6 ozs. to 10 ozs. a day, the daily rations of rice and flour being each reduced by 2 ozs. to correspond.'

In addition, the following suggestions have been put forward for the consideration of the Government of India :—

(1) That the ration of tinned (condensed) milk might be increased from 4 ozs. per man per week to that allowed under the Merchant Shipping Act, 1906, namely one third of a pound per man per week ;

(2) that 'atta' (Indian whole-wheat) flour might be substituted wholly or partially for the existing ration of flour. In this connection the opinion is expressed that a 'atta' if packed in tins, might keep well enough to be used on board ships ; alternatively, the possibi-

lity is suggested of using a grinding machine by which 'atta' could be prepared on board as required for use, in which case wheat, which keeps well, could be stored instead of 'atta';

(3) that lemon and orange juice should be substituted for lime juice;

(4) that herrings and kippers, nuts and soya beans should be introduced into the scale (the suggestion appears to be that herrings, which could be fresh, pickled or tinned, might be substituted for dried fish on one of the fish ration days); and

(5) that fresh meat at the sea ration of 4 ozs. be issued 4 days a week in all weathers and the fish ration on 3 days.

3. These proposals are now under the consideration of the Government of India, but before coming to a final decision, they would be glad to be favoured with the views of your Chamber on the matter as early as possible.

Letter No. 1987, *dated 2nd August* 1934, *from the Chamber to the Government of India.*

I am directed by the Committee of this Chamber to acknowledge receipt of your letter No. 31-M-II. (5) /34, dated 9th July 1934, on the above subject, and to submit hereby their views as under :

My Committee agree with the underlying object of the proposed alterations in the dietary for Lascar Seamen in the light of modern knowledge so that it may afford to them a greater degree of immunity from Beri Beri than the existing dietary does. It is, however, difficult for my Committee to express any opinion as regards the medical value of the proposed changes, but would suggest to Government that no changes which might impose greater burdens on shipping which is passing through an unprecedented depression, should be made at this stage.

Paragraph 2 : The present scale of vegetables is 8 ozs. and not 6 ozs. as stated thereon. As regards increase in the ration of milk, my Committee are agreeable to the enforcement of that suggestion.

As regards 'Atta', it does not keep well for a long time unless it is properly packed. Even when it is packed in tins, it becomes stale after a few weeks. So far as the coasting trade is concerned, "Atta' is purchased at different ports, but the suggestion of using a grinding machine for making 'Atta' on a longer voyage may be adopted.

With regard to fish ration, my Committee would suggest that fresh fish should be supplied whenever available.

APPENDIX 10

Representative on I. M. M. T. S. Dufferin.

Letter No. 160-*M*-11/34, *dated* 19*th March* 1934, *from the Government of India, Commerce Department, to the Chamber.*

I am directed to refer to your letter No. 140, dated the 3rd February 1932, renominating Mr. M. A. Master as the representative of the Indian Merchants' Chamber on the Governing Body of the I. M. M. T. S. "Dufferin." The term of office of Mr. Master will expire on the 7th April 1934 and I am to request that the Chamber may be asked to make a fresh nomination to fill the vacancy.

As you are aware, there is no objection to a sitting member being renominated for a further term should the Chamber so desire.

Letter No. 797, *dated* 28*th March* 1934, *from the Chamber to the Government of India.*

With reference to your letter No. 160-M. II–34, dated the 19th March 1934, I am directed to inform you that my Committee have re-nominated Mr. M. A. Master as their representative on the Governing Body of the I. M. M. T. S. "Dufferin" for a further term.

APPENDIX 11.

The Statutory Railway Board.

Letter No. 993, dated 19th April 1934, from the Chamber to the Government of India, Commerce Department.

The Committee of this Chamber have considered the sketch proposals, as they are called, for the future administration of Indian Railways, which are contained in a report of the Committee which was appointed by the Secretary of State for India to consider a scheme prepared by him in consultation with the Government of India to give effect to certain principles laid down by His Majesty's Government. These principles, which were mentioned first in the introduction to the White Paper on Indian Constitutional Reforms, laid it down that while the Federal Government would necessarily exercise a general control over railway policy the actual control of the administration of State Railways in India, including those worked by Companies, should be placed by the Constitution Act in the hands of a Statutory Railway Board so composed and with such powers as would ensure that it was in a position to perform its duties upon business principles and without being subject to political interference.

So far as my Committee are aware neither the proposal nor the scheme was discussed at any of the Round Table Conferences, excepting cursorily, and even now the scheme has been issued in a sketchy form by the Committee above referred to. The public in this country has not, therefore, got any other material to consider excepting this report and a sort of the foreward by the Secretary of State thereto; and except by a few nominees of the Viceroy in London, it has not received the close examination at the hands of Indian publicists which it deserves.

My Committee should like to express, in the first instance, their serious apprehensions at the development of the whole project. *Pari passu* with the discussion of the new Constitution for India, there has been a consideration of so

many safeguards in favour of alien vested interests in trade and services, that virtually there will be very little of real and effective self-Government in the Constitution when it comes to be placed on the Statute-Book and worked in this country. As if all these safeguards were not sufficient, there has been this new device thought of,—a Statutory Railway Board—by those who did not want to pass any real authority in Indian hands, and who wanted that the present position of advantage and power enjoyed by the Britishers in general and the British commercial community in particular and also by the Anglo-Indian community should be fully retained. There is otherwise no meaning in proposing at present and before the new Federal Legislature is established, to set up a Statutory Railway Authority which will, to all appearances, not be amenable to the Legislature nor will be under the Federal Government.

The Secretary of State has stated, in his Memorandum, four alternative courses in connection with the question whether the Statutory Railway Authority should be set up by British or by the Indian Legislature. The Committee of this Chamber consider that the suggestion for a Parliamentary Statute is monstrous and in direct conflict with the authoritative Brirish declarations on constitutional matter. My Committee are emphatically of opinion that when the proper time comes for such legislation, the last course only is one which should be adopted, *viz* ; the matter should be left entirely to the new Indian Legislature, though they do not see why the approval of the Governor General in his discretion should be required to the introduction of the original Bill or of any amending Bill. It should be the approval of the Federal Government which should be required and not of the Governor General in his discretion. My Committee are opposed to the establishmen of a Statutory Railway Authority till constitutional changes establishing responsibility to the Legislature have been passed and until it is made clear that the constitution of the proposed Authority will not be repugnant to Indian opinion as reflected in the criticism of the working of Railways hitherto.

My Committee cannot understand why a fetish is being made of the so-called "political interference" in this case as was done with regard to the Reserve Bank. By political interference is meant, obviously, interference only of the Indian Legislature, while the interference of the Secretary of State, as it has been experienced in the past and often against Indian interests, is not deemed to be political interference. The interference on the part of the Secretary of State will be political interference *par exelcio* of a very grave and serious character as it will tend to continue the management of the Railways, as they are at present being managed, in the interests more of others than of this country. The Stores Purchase Policy of the Government of India, exercised whether in England through the High Commissioner for India or in this country, has been actively criticised by my Committee, who have contributed not a little to the change in the policy which led to the transfer of the Headquarters of the Indian Stores Department to this country and which led to the adoption of the Rupee tender system. The City of London is very zealously watching all the orders placed by the High Commissioner, and interpellations in the House of Commons indicate that if any orders are placed in any other country excepting Great Britain, there is very strong and acrid criticism. Then there is the question of Indianisation of the Railway Administration. With regard to this, and from the Indian point of view, Railway Administration is, perhaps, one of the least satisfactory departments and it is apparently still believed that Indians are not fit for being placed in charge of much of the executive work of the Railways, not only at the Railway Board, but in the ranks of agents, deputy and assistant agents of the State Railways. It is in order to guard against all these reactionary tendencies that my Committee want that legislation relating to this should be postponed and when it comes it should mean that the Statutory Railway Authority be placed under the Indian Legislature.

It is mentioned in paragraph 7 of the Report of the Committee referred to above that revenue estimates will be submitted annually to the Federal Government which will in

turn submit them to the Federal Legislature, but these estimates will not be subject to vote. Further on, it is stated that if the revenue estimates disclosed the need for a contribution from the general revenues, the vote of the Legislature will of course be required. Surely, all this is nothing but a travesty of constitutional government!

The Railway Budget should be within the purview of the Indian Legislature, representing the taxpayers whose property the Railways are, which should be deemed the supreme Authority in the new Federal India.

The Report further states that the Railway Authority will consist of 7 members. With regard to this, even the crowd that met in London is divided on the question whether.

(*a*) Three will be appointed by the Governor General in his discretion and 4 by the Governor General on the advice of the Federal Government;

(*b*) all will be appointed by the Governor General on the advice of the Federal Government.

My Committee are of opinion that *all* the members should be appointed by the Governor General on the advice of the Federal Government. They notice, with regret, that even with regard to this constitution of the Railway Authority, efforts are being made by communalists to introduce the virus of communalism by insisting that out of the 7 seats on the Statutory Railway Authority 2 should be reserved for the Muslim community and 1 for the European community. While they would welcome an Authority representative of all interests and all communities so far as it is compatible with efficiency, my Committee do not consider that any provision should be made in the Statute for the establishment of the Railway Authority on communal basis. The responsible Ministers may be relied upon to see that no ground for complaint arises on this score.

My Committee have felt it for a long time that the Railway Department of the Government of India has not, on all occasions, worked in the interests of Indian trade and

industries. Often and often, in answer to the plea that the Railway Board should look to the development of Indian trade and industries in their administration of Indian Railways, the reply has been given that the Railway Department should be worked commercially, and it was therefore competent to over-ride declared policy of Government and to defeat intentions avowed by Executive Councillors in the Legislature. It is this narrow view of the duties of the Railway Board which, if my Committee may be allowed to say so, has operated against the development of Indian trade and industries. It is with a view to ensure that the new Statutory Railway Authority should not perpetuate the present false position and harmful policy that my Committee have suggested that the Statutory Railway Authority should be under a responsible Minister in the Indian Legislature. Instances are not wanting in other British Dominions where the Railways are amenable to the full control of the popular Government.

A comparative study of these proposals and the constitutional devices provided in other Dominions for the administration of Railways throws the helplessness of India into bold relief. The nearest parallel instance of a Parliamentary Act providing for the constitution of a Statutory Railway Board is afforded by the Dominion of South Africa. But even there the Act which was passed in 1909 provides that, "subject to the authority of the Governor-General in Council, the control and management of the railways, ports and harbours of the Union shall be exercised through a Board consisting of not more than 3 Commissioners, who shall be appointed by the Governor General in Council, and a Minister of the State, who shall be Chairman." A subsequent Act passed in 1916 definitely settled the interpretation of the original statutory provision by providing that "the management and working of the Railways and Harbours, shall subject to the control of the Minister, be carried out by the General Manager, who shall be governed by such regulations as the Minister may from time to time frame after consultation with the Board." Thus in South Africa ministerial responsibility in regard to the administration of Railways

is not only real but is also complete. In Canada, railways are similarly amenable to the full control of the Dominion Government, the railway administrative agency in that country known as the Board of Railway Commissioners having been established by the Dominion Government itself. The railway administration however has been kept free from interference by the Dominion Parliament which has provided for an appeal from the Board of Commissioners to the Supreme Court on all points of law, subject to the permission of the former. In Australia the administration of railway belonging either to the Federation or the States is governed by statutes passed respectively by the Federal or the State Governments.

Under these circumstances, my Committee beg to hope, in conclusion, that suitable legislation for the purpose will be introduced in the new Federal Parliament and that all the responsible Indian commercial and industrial opinion will be fully consulted about the various proposals and suggestions to be placed on the Statute-Book.

APPENDIX 12.

Railway Risk Note forms.

Letter No. 1673, *dated 3rd July* 1934, *from the Chamber to the Railway Board.*

The attention of my Committee has been drawn to the resolution passed at the last session of the Associated Chambers of Commerce on the subject of Railway Risk Notes. The resolution urges upon the Government of India to review the terms of the Risk Notes and to lay upon the Railway administration the burden of proof that in cases of damage or loss the same was not due to the negligence of railway servants, to ensure that liability is not repudiated by the Railway company on the strength of endorsement of Risk Notes at the time of despatch and generally to incorporate the principle that the railways shall be under an obligation

to give delivery of consignments in the same good order and condition in which they were tendered for despatch.

The grievance of the mercantile community on this question is a long standing one. Time and again representations have been made to the authorities about the defects and abuses of the Risk Notes, in the form in which they are framed now. The Committee of this Chamber had occasion to correspond with Government on this subject on various occasions, the last of which was on 25th February 1933 (*Vide* letter No. 641). But it is disappointing that so far Government have not taken any action to reduce or remove the rigours and handicaps so often complained of. On the other hand, from the reply which the Associated Chambers have received from Government, it would appear that Government do not propose to give any attention to the main grievances, *viz*: burden of proof and delivery in good condition.

It is distressing to find that even with regard to a question on which the whole mercantile community, Indian as well as European, is unanimous, Government are pleased not to take any action.

My Committee would like to support very strongly the plea put forward by the Associated Chambers for an examination of this question and an early revision of the form of the Risk Notes.

Letter No. 488-T, dated 24th July 1934, from the Railway Board to the Chamber.

With reference to your letter No. 1673, dated 3rd July 1934, I am directed to state that the Railway Board presume from para. 2 thereof that your Chamber have perused the record of the discussion at the meeting of the Associated Chambers of Commerce of India held in January 1934, preceding the adoption of the resolution relating to Risk Notes, and that, you have also received a copy of the Railway Board's letter No. 488-T, dated 3rd April 1934, to the address of the Secretary, Associated Chambers of Commerce of India.

2. I am to say that the Railway Board have received no further information since then which would justify a re-examination of the position.

Letter No. 488-T, dated 3rd April 1934, from the Government of India to the Associated Chambers.

With reference to your letter No. 26-A. C. of the 17th January 1934, I am directed to state that the Government of India have carefully considered the views of the Associated Chambers of Commerce as recorded in the resolution adopted at their annual general meeting in January 1934, and the record of the discussion which preceded the adoption of the resolution, and with reference to items (*a*) and (*c*) of the resolution I am to say that the Government of India are not satisfied that there is sufficient justification for re-opening the question of revising the terms of the Railway risk note forms now in use.

2. With regard to item (*b*), I am to enclose for information a copy of the Railway Board's letter No. 488-T, dated 25th October 1933, addressed to all Railways and to say that the Government of India believe that the instructions issued in this letter will remove any cause for further complaint in the matter.

Circular Letter No. 488 T, dated the 25th October 1933, from the Government of India, Railway Department (Railway Board), to Agents of Class I, II and III Railways.

I am directed to say that representations from various commercial bodies have recently been received complaining that for many commodities (raw cotton being specially named) no packing conditions are prescribed by Railways and it is therefore, left to the discretion of the subordinate railway staff to decide whether goods are adequately packed or not. It is represented that, in consequence, risk notes in Form A are demanded for trivial reasons and that, under cover of these Risk Notes, Railways "repudiate claims for damages arising from causes such as oil, water or coal dust which would have damaged the consignment in any case."

2. The Board feel confident that Railway Administrations concur with them in thinking that any action which may be practicable should be taken to prevent abuse of Risk Note Form A and I am to suggest that the following special steps should be taken in that direction :—

(1) To make periodical examinations as to whether Risk Note Form A is being demanded by the staff without sufficient cause.

(2) To consider what other action might suitably be taken to ensure that this Risk Note is not demanded without sufficient cause.

(3) To issue special instructions to the staff to guide them in demanding risk notes for commodities for which special packing conditions are not laid down.

(4) To review the policy which is adopted in dealing with claims on traffic carried under Risk Note Form A, *i.e.*, whether such claims are repudiated automatically, or whether enquiries are made to ascertain if the loss or damage complained of was actually due to the inadequacy of the packing as described in the risk note.

3. I am to add that the Board consider that it is clearly desirable that care should be exercised in dealing with claims in connection with Risk Note Form A, as if such claims are repudiated automatically and no attempt is made to ascertain whether there has been misconduct on the part of the Railway staff, it is possible that public opinion may finally enforce some revision of Risk Note Form A.

APPENDIX 13.

Bombay—Sind Railway.

Letter No. W/A167, dated 24th September 1934, from the Agent B. B. & C. I. Railway to the Chamber.

Under instructions of the Railway Board and on the advice of the B.B. & C.I.Railway Local Advisory Committee, I beg to address you on the above subject.

As you are aware, the completion of the Sukkur Barrage will result in the sources of supply for Bombay and Gujerat for wheat, grain and cotton, etc., being transferred from the Punjab and the United Provinces to Upper Sind, and, unless the projected Bombay-Sind Railway is built, the above commodities from this area will be transported to Bombay and Gujerat by the rail-cum-sea route *via* Karachi.

The cost of this railway is estimated at nearly 6 crores of rupees and, allowing for losses to railways caused by diversion of the present sources of supply, it is doubtful if a reasonable return will be obtained on the expenditure involved.

It will, however, be realised that in the circumstances the estimates, however carefully prepared, cannot be considered absolutely reliable and therefore, any suggestions and criticisms by your Chamber will be most valuable to assist me in deciding what recommendation I should make to the Railway Board. In particular I should be glad to receive the views of your Chamber as to :

(i) Whether the expenditure of so large a sum of money on this project is considered justified ;

(ii) whether the new line is likely to secure the bulk of the "new" Sukkur Barrage area traffic between Sind, Bombay and Gujerat and, if not, to what extent this traffic will move by the rail-cum-sea route ;

(iii) whether the new line is likely to capture any part of the *existing* sea traffic from Karachi to Bombay and Gujerat and, if so, to what extent.

A skeleton map of India showing the present routes for traffic from the north and north-east of India to Bombay and Ahmedabad and the proposed new route, which will supplant the existing routes if the traffic is not carried by sea, is enclosed. The mileage are as follows :

Sukkur to Karachi	Sukkur to Bombay *via* Bombay-Sind Rly.	Sukkur to Ahmedabad *via* Bombay Sind Rly.
miles	miles	miles
299	865	557

With the consent of the Agent, G. I. P. Railway, this subject will be brought forward at the Trades Contact Meeting with Group No. 1 in November and, therefore, I should be much obliged if your Chamber will let me have their considered opinions as fully as possible on the points raised in this letter before October 31.

Letter No. 2572, dated 18th October 1934, from the Chamber to the B.B. & C.I. Railway.

I am directed by the Committee of this Chamber to acknowledge receipt of your letter No. WA/167, dated 24th September 1934, with reference to the question of Bombay-Sind Railway connection, Broad Gauge.

My Committee will proceed to answer the three queries you have specified in your above letter :

(1) In the absence of necessary data, my Committee are not in a position to say whether the expenditure will be justified.

(2) The bulk of the Bombay trade will not go by the new line owing to the sea-route being cheaper. The portion of trade, however, relating to Ahmedabad and surrounding districts will most likely go by the new line.

(3) As stated above, the new line is likely to capture the Gujerat traffic to some extent, and the trade territory served by Bombay will be affected by it.

In conclusion, my Committee are afraid that the trade of Bombay will suffer owing to diversion to other places. Bombay has already been suffering for sometime past owing to diversion of her trade and traffic to other ports, and practically all the public Institutions of the City have been protesting against this diversion of her trade. If this proposed new route is accepted, it will accentuate the diversion and affect adversely the trade of Bombay, without benefiting her at all.

APPENDIX 14.

Representative on the G. I. P. Railway Local Advisory Committee.

Letter No. 12527-*K*-520 *dated 26th April* 1934, *from the Secretary, G.I.P. Railway Local Advisory Committee, to the Chamber.*

Under Rule 9 of the Rules and Constitution of the abovementioned Committee, the tenure of office of the existing members of the Committee will expire with the meeting of 3rd May 1934, and it will be necessary to elect a new committee to serve for a period of two years with effect from the meeting for the month of June 1934.

2. I shall be obliged if you will kindly arrange to elect a member to represent your Chamber on the new committee and advise me early.

Letter No. 1121, *dated 2nd May* 1934, *from the Chamber to the Secretary.*

With reference to your letter No. 12527-K-520, dated the 26th April, 1934, I am directed to inform you that my Committee have re-nominated Mr. Gordhandas G. Morarji as the Chamber's representative on the new Advisory Committee.

APPENDIX 15.

Disparity in Railway Freight on Tobacco between Guntur to Shalimar and Guntur to Andheri.

Letter No. 1537-8, *dated* 19*th June* 1934, *from the Chamber to the G. I. P. and Nizam Guaranteed States Railways.*

The attention of my Committee has been drawn to the heavy disparity in railway freight on tobacco as between Guntur to Shalimar and Guntur to Andheri. Guntur to Shalimar is a distance of about 784 miles and the railway freight on tobacco for the same is Rs. 1-7-4 per maund. But from Guntur to Andheri, a distance of 850 miles, the rate payable is Rs. 2-8-9 per maund. Thus for a difference in mileage of just over 100 miles, the freight rate is nearly 70 % higher. My Committee feel that there is no justification for this disparity.

Such a position, it must be admitted, puts an avoidable handicap on cigarette factories in Bombay in competition with factories at Calcutta. With this advantage in freight on tobacco, which forms the chief raw material for the industry, the Calcutta manufacturers will be able to market their products at a far cheaper rate than Bombay manufacturers. Therefore, the facility of a lower rate for Shalimar will be in the nature of an indirect administrative preference for the Calcutta manufacturers.

My Committee, therefore, feel that a reduction in freight for Andheri as compared with the rate for Shalimar is called for. They also beg to suggest that the G. I. P. and the N. G. S. Railways should try to attract a larger volume of tobacco traffic on their own lines. Any impetus given to the Bombay industry by a corresponding reduction in railway freight on the G. I. P. and N. G. S. Railways will, it will be admitted, mean more traffic to the two railways, and will, therefore, be in the interests of both the tobacco industry and the railway companies.

My Committee hope that the railway authorities will be pleased to consider this matter favourably.

Letter No. RC 3-852, dated 10th August 1934, from the G. I. P. R., Bombay, to Chamber.

"The matter has been fully considered and it is regretted that we are unable to comply with your request."

Letter No. R. 278-34, of 7th July 1934 from the N. G. S. Railway, Secunderabad (Deccan) to Chamber.

With reference to your letter No. 1537 of the 19th June 1934, addressed to the Agent of this Railway, which has been forwarded to me for disposal I beg to inform you that I had already received a representation from Messrs. Zenith Tobacco Co., Ltd., Bombay, on the subject of reduced rate for tobacco from Guntur to Andheri and have told them to approach the N. S. M. and G. I. P. Railways as this Railway cannot do anything in the matter.

APPENDIX 16.

Increases in freight Coal from the Central Provinces Collieries over the G. I. P. Railway.

Letter No. 1140, dated 2nd May 1934, from Chamber to the Railway Board, New Delhi.

I am directed by the Committee of this Chamber to address the Railway Board in regard to the recent increase in the railway freight on coal from the Central Provinces collieries over the G. I. P. Railway.

My Committee regret to observe that the Railway Board have thought it proper to increase the freight on C. P. coal over the G. I. P. Railway, when the coal industry of the country is passing through very critical times and has been asking for an all round reduction in railway freight. The existing 15 per cent sur-tax is in itself a great burden, and the recent increase in freight sanctioned by the Railway Board on C. P. coal on the top of this and the general depression would seriously injure the interests of the Central Provinces coal industry. My Committee cannot understand the reason why the increase on C. P. coal freight was sanctioned. It may be that the Railway Board have done so on account of the recent representations made by the Bengal coal interests with regard to disparity in freight on C. P. coal and the Bengal coal over the G. I. P. Railway. My Committee submit that the claim of Bengal coal interests could very well have been satisfied by effecting an all round reduction in freight on coal over the G. I. P. , E. I. and B. N. and other railways. It was such an all round reduction in freight that was required and not enhancement, even though it be on a particular section. My Committee, therefore, reiterate their demand for an alround reduction in freight for coal over all the Railways.

Letter No. 1062 *T., dated,* 15*th May* 1934, *from the Railway Board, to Chamber.*

With reference to your letter No. 1140, dated 2nd May 1934, I am directed to say that the scale of rates for C. P. coal was, with effect from 1st April 1934, raised to the minimum prescribed by Government as the Railway Board, after careful consideration in consultation with the interests concerned were satisfied that the old scale which was below the minimum prescribed by Government could no longer be justified.

2. I am to add that an all round reduction in coal freights is at present not feasible.

APPENDIX 17.

Railway Classification of Glauber's Salt and Paperware N. O. C.

Letter No. T97/11/1, dated 23rd July 1934, from the Indian Railway Conference Association, Delhi, to Chamber.

I am directed to forward, for your information, particulars of subjects which will be discussed at the next meeting of the Commercial Committee, fixed for Friday, the 5th October 1934 and request that you will favour me with the views of your Chamber on the proposal before 31st August 1934.

(1) Subject-Glauber's Salt or Sulphate of Soda.

Copy of letter No. R. 230/28/13, dated 4th July 1934, from the General Traffic Manager, B. B. & C. I. Railway, to the General Secretary, I. R. C. A.

With reference to Resolution C-248 II of Commercial Committee's Meeting No. 20, Messrs. the Eastern Chemical Co., Ltd., Bombay, have represented to me that the price of Epsom salts (the classification of which has been reduced from 3 R. R. 2 O. R., to 1 R. R. (is actually more than that of Glaubers's salt or Sulphate of Soda which latter is classified 3 R.R. 2 O.R. They, therefore, request that Glauber's Salt or Sulphate of Soda be re-classified on the same basis as Epsom Salts.

The prices obtained from three principal manufacturers are as follows :—

	Epsom salts. Per Cwt.	Glauber's salt Per Cwt.
The Eastern Chemical Co., Ltd., Bombay, ...	Rs. 3-4 to 3-8	Rs. 2-4 to 2-6
The Imperial Chemical Industry (India) Ltd., Bombay	Rs. 3-8-0	Rs. 2-10-0
Havero Trading Co., Ltd. Bombay	Rs. 3-8-0	Rs. 2-6-0

Will you please place this matter before the Commercial Committee for consideration at their next Meeting.

Please acknowledge.

(2) Subject Classification of Paperware N. O. C.

Copy of letter No. 1296-R/122, dated 22nd June 1934, from the Chief Commercial Manager, N.W. Railway, to the General Secretary, I.R.C.A.

We recently had a consignment which was described as paper cups for cream and charges were invoiced at the 6th class rate under the heading of "Haberdashery." It was represented, however, that the article should be charged as for "Empties" but in view of the fact that "paper N. O. C." of which the article is made of, is classified 2 RR when in bales and bundles and 4RR when in cases, it was decided to charge the article as "Paper, N. O. C."

Enquiries made show that on this railway there is a certain amount of traffic in other similar articles such as paper capsules, paper dishes and paper tubes for drinking aerated water, etc. and it is suggested that a new entry of "Paperware N. O. C., 4 RR" be provided for in the General Classification of Goods, which will leave no doubt as to the correct classification for these articles.

I shall be glad, therefore, if you will please place the following draft resolution before the Commercial Committee for Interchange for consideration:—

The Commercial Committee for Interchange recommend that the following entry be introduced :—

"Paperware, N. O.C. 4 R.R." and the entry of "Tube paper" under the main head of "Empties" should be modified to read "Tube paper, for packing."

Letter No. 2265, dated 30th August 1934, from Chamber to the Indian Railway Conference Association.

I am directed to acknowledge receipt of your letter No. T 97 XII-1, dated 23rd July 1934, with its enclosure,

and in reply to inform you that my Committee approve of the proposal to classify "Glauber's Salt or Sulphate of Soda" on the same basis of Epsom Salts, as suggested therein.

My Committee have no views to offer regarding the suggested classification of "Paperware N. O. C." referred to in your letter.

APPENDIX 18.

Railway Classification of Aluminium Foil.

Letter No. T 97-XI-1, dated 29th January 1934, from the Indian Railway Conference Association, Delhi, to Chamber.

I am directed to forward for your information particulars of a subject to be discussed at the July (1934) Meeting of the Commercial Committee, and request you to furnish me with the views of your Chamber thereon before 31st May 1934.

Copy of letter No. RA. 41-43. No. 1, dated 22nd January 1934, from the Commercial Traffic Manager, B. N. Railway, Calcutta, to the General Secretary, Indian Railway Conference Association, Delhi.

Classification of Aluminium foil.

At present no classification is provided for Aluminimum foil in the General Classification of Goods.

Aluminium foil are of different sizes and are used for various purposes, such as soap wrapping, decorating, etc. and the price of the foil varies from Re. 0-12-0 to Rs. 1-8-0 per 100 foils.

We have at present traffic offering in Aluminium foil and the same is being charged as for "Aluminium" over this Railway at 6 R. R. and 4 O. R.

Other foreign railways such as G. I. P. and M. S. M. who were referred to in the matter are charging Aluminium foil as for "Tin foil "or "Aluminiumware."

As it is desirable that there should be uniformity in the classification for Aluminium foil over all Railways, I referred the matter to the railways who are members of the Commercial Committee, and I enclose a copy of their replies.

I would, therefore, suggest that Aluminium foil be classified in the General Classification of Goods at 6 R. R. and 4 O. R. Will you kindly place this matter for the consideration of the Commercial Committee for Interchange? A draft resolution is appended below:—

The Commercial Committee recommend that Aluminium foil be separately classified as 6 R. R. 4 O. R.

REPLIES RECEIVED FROM FOREIGN RAILWAYS.

E. I.—I agree to Aluminium foil being separately classified but would suggest that the classification be 4 R. R. the same as for Tin Foil, on the analogy of the English Classification.

B & N. W.—I agree to your proposal but would suggest that the matter be referred to the Commercial Committee for Interchange.

G. I. P.—Aluminium foil is charged over this Railway as "Tin foil" *viz.*, 4th class R. R., *vide* para. V, page 18 of our Foreign Rate Circular No. 5 of 1933. I cannot therefore agree to your proposal of charging this article at 6th Class R. R. and 4th Class O. R. for which I regret.

N. W.—I agree to your proposal to have Alumimium foils separately classified 6 R. R. 4 O. R.

M. S. M.—I consider that Aluminium foils should be charged 6 R. R. like zinc, copper and lead foils and presume that the matter will be referred by you to the Commercial Committee for Interchange.

N. S.—I had a similar reference from the M. S. M. Railway and have replied that Aluminium foil should be charged as Aluminium 6 R. R. 4 O. R.

MYSORE—With reference to your above letter, I beg to inform you that I agree to classify Aluminium foils separately at 6 R. R. and 4 O. R.

B. B. & C. I.—I beg to reply in the affirmative.

A. B.—I agree to your proposal.

Letter No. 555, *dated 6th March* 1935, *from Chamber to the Indian Railway Conference Association.*

I am directed to acknowledge receipt of your letter of the 29th January 1934, inviting the views of my Committee on the proposal before the Commercial Committee of your Association regarding classification of Aluminium foil, and in reply to say as under :

While my Committee are agreeable to the proposal for a separate classification for Aluminium foil, they oppose the rates that are being suggested, *viz.* 6 R. R. and 4 O. R. In their opinion the rates should 4 R. R. and 2 O. R. *viz.*, the rates at which they are at present charged over some of the railways.

Your Association are aware that these foils are largely used by indigenous industries, some of which are nascent. For example, industries manufacturing cigarettes, chocolates, soaps, etc. consume these foils for wrapping purposes on large scale, and in the present state of their development their cost of production would be materially affected by any such increase in the freight rate for Aluminium foil. It may be pertinent ro mention here that some of these industries are even now being faced with keen competition from Japan and other countries and my Committee cannot agree to any proposal which will add to their cost. They, therefore, submit that the Railway Conference Association should recommend Aluminium foils being classified at 4 R. R. and 2 O. R.

——o——

APPENDIX 19.

Railway Classifications of (1) Chalk (2) Brassware and (3) Hardened Fish Oil.

Letter No. T.97/x/4, dated 22nd December 1933, from the Indian Railway Conference Association, to Chamber.

In continuation of my letter No. T. 97/x/3, dated 21st December 1933, I am directed to forward for your information paticulars of an additional subject to be discussed at the February (1934) Meeting of the Commercial Committee, and request you to favour me with the views of your Chamber thereon before the 20th January 1934.

Copy of letter No. 1420 R./311, dated 16th December 1933, from the Chief Commercial Manager, North Western Railway, Lahore, to the General Secretary, Indian Railway Conference Association, Delhi.

For some time past, difficulties have and are being experienced on this Railway in distinguishing between the articles chargeable under the headings of "Chalk" and "Whiting," and in this connection please refer to my letter No. 1420-R-236, dated 9th February 1933, printed as subject No. 474, Appendix A, in the Agenda of the Commercial Committee for Interchange Meeting No. 22.

2. In the meeting the proposal was, however, withdrawn by this Railway, and the general opinion of Railways appeared to have been in favour of charging the sample sent along with my letter referred to as "Whiting" due to its being a refined sample of powdered chalk. In pursuance of this, charges were, on certain consignments levied accordingly but protests have been received against this decision. I am afraid that with the existing entry of chalk it would be difficult to maintain this decision, as, though powdered and to a certain extent refind, it is nothing but

calcium carbonate and is covered by the generic term chalk. It may further be added that the Commercial Committee, *vide* S. N. 362 of Appendix A to the proceedings of Meeting No. 17, recommended, that French chalk should be charged as "Chalk." This decision makes the position of railways still more anomalous as the price of the commodity is only Rs. 2-8 per maund while that of French chalk is Rs. 6-8 per maund.

3. We are also having some difficulties in connection with consignments described as calcium carbonate chemical, not explosives, which are generally invoiced at the forwarding station, Karachi, at the 8th class rate. The consignees in most of the cases, protest against the charges pointing out that calcium carbonate is nothing but a chemical name for chalk, which is classified 1 R. R. and request that consignments should be charged under this head. Enquiries made show that the article is actually precipitated calcium carbonate, *i. e.* a highly refined chalk in powdered form, used in the preparation of tooth-pastes, powders, etc., and that its price is about Rs. 10-8 per maund, as against Rs. 1-12 per maund that of ordinary chalk. On account of the great difference in the prices this Railway had no other alternative but to charge it at the 8th class rate under the head of "Medicines".

4. In the General Classification of Goods, the following entries appear:—

Chalk	1 R. R.
Whiting	2 R. R.

It is believed that in view of the low classification of chalk, the entry is actually intended to cover chalk when undressed as is generally used for building purposes, and this is further borne out by the fact that on most of the important Railways low schedule rates as for lime, are aplicable to this entry.

5. In view of the difficulties pointed out in the above paragraphs, it is suggested that the entry of "Chalk" should be modified as under :—

Present		Proposed.	
Chalk	1 R. R.	Chalk, undressed	1 R. R.
		Chalk, french	4 ,,
		Chalk, precipitated	6 ,,
Whiting	2 R. R.	No change proposed.	

6. The proposed classification will also be in accordance with the English Railways General Classification of Merchandise where the following entries relating to "Chalk" appear :—

Chalk, French	(As Talc).
,, Liquid	(As Paints and Colours Pigments)

	Class.
Chalk precipitated	9
,, prepared	18
In bulk, undressed, for roads, buildings, paths, rockery making, and when sent for tarring or similar dressings	2
,, E. o. h. p.	
In bulk	1
In sacks	5

7. I shall, therefore, be glad if you will please put up the following draft resolution before the Commercial Committee for Interchange for consideration at their next meeting:—

> "The Commercial Committee for Interchange recommend that the entry of "Chalk" be deleted from the General Classification of Goods and the following introduced instead :
>
> | | |
> |---|---|
> | Chalk, undressed | 1 R. R. |
> | Chalk, French | 4 R. R. |
> | Chalk, precipitated | 6 R. R. |

Letter No. T. 97/X/3, dated 21st December 1934, from The Indian Railway Conference Assocaiation, to Chamber.

In continuation of my letter No. T. 97/x/2, dated 30th November 1933, I am directed to forward for your information particulars of an additional subject to be discussed at the February (1934) Meeting of the Commercial Committee, and request you to favour me with the views of your Chamber thereon before the 20th January 1934.

Copy of letter No. CR-ST 12-90-Pt I., dated 16th December 1933, from the Commercial Manager, (Rates, Development & Publicity), E. I. Railway, Calcutta, to the General Secretary, I. R. C. A. Delhi.

Classification of Brassware.

The existing entries relative to Brassware in the General Classification of Goods are:—

	R. R.	O. R.
Brass Idols	9	-
Brass, manufactured N. O. C.	4	-
Brass, ornamental	9	-
Brass, cooking utensils	4	-
Metal, fancy ware	9	

Various kinds of Brassware are manufactured at different centres on this railways, *viz* :—

(1) Plain household utensils of different kinds, such as tumblers, bowls, etc. chargeable as Brass, manufactured N. O. C. (Some of the Brass, manufactured is tin-nickeled as at Moradabad).

(2) The same as (1) except that a certain amount of plain engraving is done. This is nothing out of the ordinary but consists of designs cut into the plain brass and is chargeable as Brass, manufactured N. O. C.

(3) Brass ornaments such as animals, human figures, etc. chargeable as Brass, ornamental.

(4) Fancy brassware such as cigarette cases, vases, Jardinieres stands, etc. on which fancy engraving and colouring has been done, chargeable as Brass, ornamental or metal fancyware.

Doubt has always arisen as to the precise meaning of the term "Brass ornamental" *i. e.* whether it means **ornamented** brassware or brass **ornaments** and this is a point which requires to be cleared up. At the present time disputes are very frequent as to the head under which different descriptions of Brassware are chargeable and certain amendments in the classification are necessary in order to make the application of the correct basis of charge free from doubt. I, therefore, propose for consideration the following changes :—

	Present.	**Proposed.**
Brass Idols	9 R. R.	No change
Brass, ornamental	9 R. R.	Brass figures 9 R. R.
		Brass fancy includes Coloured ware 9 R. R.
Brass, manufactured, N. O. C.	4 R. R.	No change
Brass, cooking utensils	4 R. R.	To be deleted.

At the same time specific provision should be made for tin-nickelled Brassware to be treated as Brass according as the article falls under one or other of the heads given above.

Letter No. T. 97/x/5, *dated 5th January* 1934, *from The Indian Railway Conference Association, to Chamber.*

In continuation of my letter No. 97/x/4 dated the 22nd/26th December 1933, I am directed to forward for your information particulars of an additional subject to be

discussed at the February (1934) Meeting of the Commercial Committee and request you to favour me with the views of your Chamber thereon before the 30th instant.

Copy of letter No. R. C. 1402, dated the 18-19th December 1933, from Chief Traffic Manager, Great Indian Peninsula Railway, Bombay to the General Secretary, Indian Railway Conference Association, Delhi.

Re: Hardened Fish Oil.

At the suggestion of this Railway (see my letter No. R.C. 1402 dated 21st, September 1931, to your address) the Commercial Committee for Interchange in their Meeting No. 17 held at Simla on 7th October 1931, recommended that "oil solidified whale" be classified "6 R. R., 4 O. R." (*vide* Serial No. 390) and the change was notified with effect from 1st April 1932 in the Indian Railway Conference Association Circular No. 6, dated 18th February 1932.

It has now come to notice that "Hardened Fish Oil" is also tendered for carriage by rail described "as fish oil" in order to get the benefit of the lower rates applicable to the latter commodity, which is indexed to oils Division C—4 R. R. and 2 O. R. As "solidified whale oil" is nothing but "fish oil" and as the former has been classified 6 R.R. and 4 O. R. it is suggested that "hardened fish oil" be similarly classified.

I shall therefore be obliged if you will please place this matter before the Commercial Committee for their decision in the next Meeting. The following draft resolution is submitted for acceptance of the Commercial Commitee.

The Commercial Committee recommend that—

Fish oil (whether of whale or any other fish) hardened or solidified be classified 6 R. R. 4 O. R. and the present entry "oils, solidified whale" be deleted.

Letter No. 159, dated 18th January 1934, from Chamber, to the Indian Railway Conference Association.

With reference to your circulars No. T. 97-X-3, dated 21st December 1933; No. T-97-X-4, dated 22nd December 1933 and No. T. 97-X-5, dated 5th January 1934, regarding classification of Brassware, Chalk and Hardened Fish Oil, respectively, I am directed to observe as under:—

1. **Brassware:**—My Committee have carefully considered the suggestion contained in your letter re: revised classification of Brassware. In this connection their attention is drawn by merchants concerned to the various difficulties experienced by them on account of too many classifications. They feel that there should be only two classifications : (1) Brass and Brassware including fancy and colouredware, and (2) Brass utensils, and both should be classed at 4 R. R.

Under the proposed change the heading for Brass utensils is to be deleted, and my Committee are unable to find out under what heading Brass utensils would in future be classified. They would therefore request you to please enlighten them on this point.

2. **Chalk:**—With regard to the proposed classification Chalk my Committee are of opinion that the effects of such a change would be detrimental to the indigenous industry manufacturing tooth-paste, tooth-powder, etc. which has been recently started in the country. They are, therefore, opposed to the revised classification of Chalk as proposed.

3. **Hardened Fish Oil:**—My Committee have no objection to the proposed classification of Hardened Fish Oil contained in your letter.

APPENDIX 20.

Railway Classification of Coloured Cement.

Letter No. T. 97-XIII-2, dated 12th October 1934, from The Indian Railway Conference Association, to Chamber

In continuation of this office letter No. T. 97-XIII-1, dated 26th September 1934, I am directed to forward, for your information, particulars of an additional subject to be discussed at the February (1935) Meeting of the Commercial Committee, and request you to favour me with the view of your Chamber thereon before 1st January 1935.

Copy of letter No. O. 493, dated 5th October 1934, from the Chief Traffic Manager, G. I. P. Railway, Bombay, to the General Secretary, I. R. C. A. Delhi.

Re. Rate for coloured cement.

I beg to advise you that consignments of Coloured Cement are offered for despatch over this Railway. Coloured Cement is not classified in the General Classification of Goods.

2. Enquiries show that coloured cement is a new product manufactured amongst others by the Katni Cement Co. who advertise it as "Rainbow Coloured Cement." It is available in different colours and grades. It is composed of ordinary cement to which metallic basic colours are added during the process of manufacture. It is used in the place of cement for flooring purposes and decorative work on buildings. The price per bag of this cement varies according to its colour but is approximately Rs. 7-8 per bag F. O. R. works, as compared to the cost of Rs. 2-2--0 per bag for ordinary cement. Such cement is packed in bags with a net weight of 1 cwt.

3. As it is desirable that there should be uniformity in the classification for coloured cement over all Railways

I invited the views of the foreign railways and I enclose copies of replies received from them.

4. I shall be obliged if you will place this matter before the Commercial Committee for consideration at its next meeting. The following draft resolution is submitted for the acceptance of the Committee.

"The Commercial Committee recommend that Coloured Cement be separately classified at 4th class R. R. and 2nd class O. R. "

Please acknowledge receipt.

The following are the views of the undernoted Railways on the classification of Coloured Cement.—

N. S. — The commodity may be charged as for colours, paints, dyes Dn. "B. 4 R. R. 2. O. R."

B. B. & C. I.—I consider coloured cement should be indexed to Flooring Patent includes flooring composition 4 R. R., 2 O. R. and would suggest your referring the matter to the Commercial Committee.

M. S. M.—Coloured Cement is charged over this railway as for Colours paints and Dyes Div. B, 4 R. R. 2 O. R.

E. I. —"Coloured cement" is charged over this railway as for "Cement."

E. B. —The above article should, I think, be charged as for "Flooring composition" coming under the head "Flooring Patent."

B. N. — With reference to your above I beg to inform you that coloured cement is charged over this railway as for "Cement."

N. W.—In view of the high price of coloured cement I am of opinion that it should be charged at 4 R. R. 2 O. R. that is the same as applies to "coloures, paints and dyes Dn, B."

Letter No. 2943, dated 14th November 1934, from Chamber, to the Indian Railway Conference Association.

I am directed to refer to your letter No. T 97-XIII-2, dated 12th October 1934, and, in reply to say that my Committee would recommend the same classification for coloured cement as for ordinary cement. Although there is considerable disparity between the prices of the two kinds of cement, my Committee understand that the former is sold in very small lots and that during the last 12 months only about 120 tons have been sold. In the cement trade, coloured cement is considered as a "trailer" for the sale of cement, and the extra income to the Railways by any higher classification would be negligible. My Committee, would therefore, urge coloured cement being treated as ordinary cement for freight classification.

APPENDIX 21.

Railway Classifications of Silica Sand.

Letter No. T. 97-XIII-5, dated 4th December 1934, from the Indian Railway Conference Association, to Chamber.

In continuation of this office letter No. T.97-XIII-2, dated 12-13th October 1934, I am directed to forward for your information, particulars of an additional subject to be discussed at the February (1935) Meeting of the Commercial Committee, and request you to favour me with the views of your Chamber thereon before 1st January 1935.

Copy of letter No. RQ. 2-1655, dated 19th November 1934, from the Chief Traffic Manager, G. I. P. Railway, Bombay to the General Secretary, I. R. C. A., Delhi.

Classification of Silica Sand.

I beg to state that sand is classified in the General Classification of Goods as first class R. R.

2. There are varieties of sand, silica sand being one of them, a sample of which is enclosed. At present this sand is being booked as ordinary sand. The price and uses of ordinary sand and silica sand vary considerably as shown below:—

Commodity	Price per ton.	Use.
Sand	1-13-9	For building purposes.
Silica sand	22-0-0	In the manufacture of glass articles.

3. In view of the above it would appear advisable to classify silica sand separately in the General Classification of Goods, so that any lower rates quoted for sand may not be automatically applied to silica sand, which in view of its value, can bear a higher rate. I shall be obliged if you will please place the following draft resolution for the acceptance of the Commercial Committee at its next meeting.

> "The Commercial Committee recommend that Silica Sand be separately classified as "Silica Sand" 2nd class R., R., 1st O. R."

Letter No. 3104, *dated 22nd December* 1934, *from Chaber to the Indian Railway Conference Association.*

I am directed to refer to your letter No.T. 97-XIII-5, dated the 4th December 1934, and, in reply, to say that my Committee are opposed to the proposal contained in the letter from the Chief Traffic Manager of the G. I. P. Railway regarding a higher classification for silica sand.

My Committee would at the outset, like to clear a misapprehension that is likely to be created by the description of Silica sand in the letter of the G. I. P. Rly. From the letter, on a reference to the figures of prices, one would carry the impression that Silica sand is quite different from sand. My Committee are advised that all sand is Silica, Silica being only a chemical nomenclature of the material which, in its physical form, is called sand. The

price of Rs. 1-13-9 per ton referred to by them for sand is obviously for delivery on the quarry site and that of Rs. 22-0-0 for Silica sand for delivery at the glass manufacturer's station. The latter price, therefore, comprises the cost at quarry, handling charges and railway freight. The price of Silica sand would be about Rs. 3-8 per ton at its site, as against Rs. 1-13-9 for building sand, this difference being due to the process of seiving required by the manufacturers of glass.

Silica sand, as you are aware, is used in the manufacture of certain kinds of bricks, silicate of soda, and certain varieties of glass. It forms, therefore, the raw material for these industries. The glass industry has always been in a state of depression and has applied to Government for protection. Its case was examined by the Tariff Board and the result of this examination is being awaited anxiously. At such a juncture, a proposal which will increase the cost of an important raw material for the industry will accentuate the position. The letter from the G. I. P. Railway suggests that Silica sand being of a higher value will bear a higher freight rate. My Committee think that in view of the depressed condition of the industry, a higher rate may affect the demand for this sand and consequently reduce the movement of this commodity over the railways. Instead, therefore, of the railways themselves benefitting by any such increase in rate, it might ultimately reduce the volume of traffic in the same and also tend to increase the cost of manufacture of the industries using the same. My Committee are, therefore, opposed to the same and suggest that Silica sand should continue to be classified as ordinary sand.

APPENDIX 22.

Proposed Amalgamation by the G. I. P. Rly. of the 1st and 2nd class compartments into one upper class.

Note by the G. I. P. on the Proposed alterations in Upper class fares.

During the last six months the Administration has had under investigation the question of alterations in upper

class fares with the object of improving the earnings where they have been unsatisfactory. Whilst the inter and 3rd class traffic has shown an increase in earnings and an increase in the number of passengers respectively during the last two years, a careful examination of the upper class passenger traffic shows a consistent decrease in numbers and earnings for some years.

2. Various proposals for alterations in upper class fares have been considered, but before finally committing itself, the Administration would be glad to have the opinion of the Advisory Committee on the subject.

3. **First Class.** In the first place it is thought desirable to reduce the first class fares from the existing scale of charge, *viz* : 24 pies per mile for the first 150 miles and 18 pies beyond, to a flat scale of 18 pies per mile for any distance. It should be stated that there has been a gradual decrease in the two zones 1-50 and 51-150 miles and whilst there has been no great change in the 151-300 miles and an increase in the 301-500 miles zone, there has been a steady drop in the zone above 500 miles from which our largest 1st class passengers earnings are derived. During the years 1917-18 to 1919-20 the basis for charge for 1st class passengers was 18 pies for all distances and whilst this charge was in force a very substantial increase was obtained in both numbers and earnings. The same flat basis of 18 pies was in force also from 1926 to 1930-31 and though during the latter period there was a substantial decrease in both numbers and earnings, the flat scale appears to have been beneficial for the first 3 years of this period. When the trade depression became severe the decrease in earnings and numbers set in. The basis of charge was increased in October 1931 to that which is now in force but has failed to improve the situation and therefore a reversion to the former flat scale is contemplated. Should no increase in the number of passengers result from this reduction in fares the loss in a financial year would be Rs. 71,660 based on the traffic for 1932-33.

4. Owing to the wide disparity between 1st and 2nd class fares there has, in recent years, been a considerable

loss in revenue due to passengers who previously travelled in the 1st class electing to travel in the 2nd class. Further, the new standard design of coaching stock provides 2nd class accommodation almost identical with 1st class accommodation. There are slight differences in the interior fittings, but the seating and sleeping capacity of the 1st and 2nd class compartments in the new stock is the same. All new upper class stock placed in service will be of the new standard design and as new stock is placed in service there is the danger of additional 1st class passengers preferring to travel in the 2nd class. The recommendation to reduce the basis of 1st class fares will, therefore, assist in preventing a change over from 1st class to 2nd class.

5. **Second class.** It was at first thought that the present basis for charge of 12 pies per mile for the first 150 miles and 9 pies per mile for distances beyond 150 miles should be changed to a flat basis of 12 pies for all distances. The difference between 1st and 2nd class fares, as already stated above, is very substantial and with the improved design of accommodation for 2nd class, there exists a reason for an increase in 2nd class fares. An increase in the zone beyond 150 miles is likely to produce additional revenue not only from the 2nd class passengers themselves, but also from the assistance the increase will give in curtailing a transfer of passengers from the 1st class to the 2nd class. As our anticipations might not materialize fully it is now thought that it might be advisable to introduce a scale of charge as follows.

1 to 300 miles	12 pies per mile
Beyond 300 miles	9 „ „ „

This change would affect a comparatively small number of passengers. Actually less than 20% of our 2nd class passengers would be called upon to pay any addition to the present fares while an increase in our earnings is estimated at approximately Rs. 2 lakhs assuming no change in the numbers carried in 1932-33.

I should much appreciate the opinion of members of the Advisory Committee on these proposals and should value their views as to whether they think it advisable to introduce both changes simultaneously or separately and if the latter, which proposal they think should be first introduced.

Possible amalgamation of 1st and 2nd classes into one upper class. From a Railway operating point of view the provision and maintenance of a multiplicity of classes is extravagant and it may become desirable to amalgamate the 1st and 2nd classes into one upper class in my view. It is already desirable to do so. Should such a scheme eventuate a basic fare would probably have to be charged at a figure somewhere between the existing 1st and 2nd class fares, and the proposals relating to fares that already have been made above would form a move in the right direction.

I should be glad to know what the members think of the suggestion to amalgamate the 1st and 2nd classes into one combined upper class.

Statement of passenger fares for certain distances on existing and proposed basis.

Miles	First class.						Second class.					
	Existing			Proposed			Existing			Proposed.		
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.
50	6	4	0	4	11	0	3	2	0	3	2	0
100	12	8	0	9	6	0	6	4	0	6	4	0
150	18	12	0	14	1	0	9	6	0	9	6	0
200	23	7	0	18	12	0	11	12	0	12	8	0
250	28	2	0	23	7	0	14	1	0	15	10	0
300	32	13	0	28	2	0	16	7	0	18	12	0
350	37	8	0	32	13	0	18	12	0	21	2	0
400	42	3	0	37	8	0	21	2	0	23	7	0
500	51	9	0	46	14	0	25	13	0	28	2	0
600	60	15	0	56	4	0	30	8	0	32	13	0
700	70	5	0	65	10	0	35	3	0	37	8	0
800	79	11	0	75	0	0	39	14	0	42	3	0
900	89	1	0	84	6	0	44	9	0	46	14	0
1000	98	7	0	93	12	0	49	4	0	51	9	0

Statement of passenger fares between certain important pairs of stations on existing and proposed basis.

Between stations.	Miles	1st class		2nd class.	
		Existing	Proposed	Existing	Proposed.
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay-Poona	119	14 14 0	11 3 0	7 7 0	7 7 0
		11 3 0*			
Bombay-Nasik	117	14 10 0	11 0 0	7 5 0	7 5 0
		11 0 0*			
Bombay-Sholapur	283	31 4 0	26 9 0	15 10 0	17 11 0
Bombay-Jalgaon	261	29 3 0	24 8 0	14 9 0	16 5 0
Bombay-Howrah (*via* Nagpur)	1223	123 1 6	118 6 6	61 9 6	63 14 6
Bombay-Howrah (*via* Naini)	1349	130 15 6	126 4 6	65 8 6	67 13 6
Bombay-Madras	794	90 2 0	85 7 0	45 1 0	47 6 0
Nasik-Poona	170	20 10 0	15 15 0	10 5 0	10 10 0
Nasik-Sholapur	309	33 11 0	29 0 0	16 13 0	19 3 0
Nasik-Pandharpur	293	31 13 0	27 2 0	16 5 0	18 0 0
Poona-Sholapur	164	20 1 0	15 6 0	10 1 0	10 4 0
Poona-Madras	675	78 15 0	74 4 0	39 8 0	42 3 0
Poona-Nagpur	553	56 9 0	51 14 0	28 4 0	30 10 0
Poona-Cawnpore	872	86 7 0	81 12 0	43 4 0	45 9 0
Bombay-Nagpur	520	53 7 0	48 12 0	26 12 0	29 1 0

*Applicable in local booking only.

Letter No. 1120, dated 2nd May 1934, from Chamber to Mr. Gordhandas G. Morarji.

With reference to your letter of the 30th April, I am directed by the Committee to send to you hereby their views on the proposals of the G. I. P. Railway.

(1) Amalgamation of the 1st and 2nd class compartments to one Upper class ;

(2) reduction in 1st class fares ; and

(3) increase in the 2nd class fares.

With regard to (1) my Committee are strongly opposed to the proposal.

With regard to (2), my Committee are in favour of reduction in the 1st class fares, provided a corresponding reduction in the 2nd class fares is also made. If it is not feasible, then they are opposed to reduction in the 1st class fares.

With regard to (3), my committee are strongly opposed to any increase in the 2nd class fares, as also in 3rd class fares.

APPENDIX 23.

Mileage Coupon Tickets for Commercial Travellers.

Letter No. 2948, dated 5th December 1934, from Chamber to the Railway Board, New Delhi.

When Sir Guthrie Russell, Chief Commissioner of Railways, recently visited this Chamber, his attention was drawn to the need felt by the commercial community for the revival of the system of Mileage Coupon Tickets. He said that he had every sympathy with the desire that these coupons should be re-introduced, as he expected, by so doing,

additional traffic might be brought to the Railways and it would encourage businessmen to travel more. At the same time, he pointed out that when the mileage coupon system was in force there were several abuses and observed that if the Indian Merchants' Chamber were able to devise some scheme whereby this misuse could be prevented, he will be quite prepared to consider recommending to the Railways the introduction of the mileage coupon system.

The Committee of this Chamber have carefully considered this question, and beg to approach the Railway Board with this representation, urging that the mileage coupon system should be revived in the interests of businessmen. Every help that the transport system can give to business people in the furtherance of their business will be greatly appreciated and will go also to enhance the profits of the Railway companies. It may be pointed out that even at present the mileage coupon system is in force on the M. & S. M. and the S. I. Railways. The M. &. S. M. Railway charges, so far as the information of my Committee goes, Rs. 140 for 3,000 miles (2nd Class) tenable for 6 months and available for use by four persons. The S. I. Railway charges Rs. 55 for 1,500 miles and makes these coupons available for all travellers, irrespective of whether they are business people or not. It charges Rs. 110 for 3,000 miles for commercial travellers. My Committee regret that certain abuses were observed while the coupon system was in force on the B. B. & C. I. and the G. I. P. Railways. They,however,consider that the system should not have been discontinued because of these abuses and that efforts should have been made to bring to book the guilty parties. The very fact that two of the leading Railways like the M. & S. M and the S. I. Railways are still having the coupon system in force, shows that they must have taken some steps to guard against any misuse. My Committee would, therefore, urge that the system should be revived by the B. B. & C. I. and the G. I. P. Railways on the same lines as it was before. The Railway Administrations may well devise their own ways to prevent abuse of the system. Even with

regard to ordinary travelling, it is found that there are hundreds of thousands of passengers travelling without tickets on all the different railways : but this has never been put forward as a ground for placing a taboo on railway travelling as such. The existence of abuses should never be allowed to get a beneficial and salutory system discontinued, but steps should be taken to put a stop to the abuse.

If, however, ultimately the Railway Board and the Railways concerned cannot think of reviving the coupon system as it was before, my Committee beg to suggest that it must be made available to members of recognised Chambers of Commerce and Commercial Associations. These members may be supplied with coupon books on production of certificates signed by the Secretaries of such Chambers of Commerce or Commercial Associations to the effect that the parties are members and that the coupon books would be used strictly in consonance with the terms and conditions of issue. If this system works well, it may be extended afterwards, so as to include all business people.

In conclusion, my Committee hope that the Railway Board will consider this question favourably and accept, if possible, their first suggestion, and that, if it is not possible to accept their first suggestion, they will at least accept their second suggestion.

APPENDIX 24.

Introduction of Five-Letter Code System in Inland Telegrams.

Letter No. T. 296-33, dated 15th January 1934, from the Director General of Posts and Telegraphs, to Chamber.

I have the honour to inform you that the question of adopting the five-letter code system in inland telegrams, in place of the existing ten-letter codes, and at the ususa

rates of charge for inland telegrams, has been under the consideration of this Department for some time. It may be mentioned that the system of charging at the rate of five-letters to a word for all unintelligible combinations of letters in the text of a telegram has been in force in Great Britain for a number of years.

2. The advantages to be derived from the proposed change may be briefly enumerated as follows :—

(*a*) The code words would not be subject to any conditions regarding the use of vowels (such as exist at present in the case of code language *vide* Clause 377 of the Post and Telegraph Guide). They could be formed in any way as in the case of code words in foreign telegrams.

(*b*) It would obviate the necessity for firms having to maintain two sets of code books, one for use in foreign telegrams (5-letter code) and the other for use in inland telegrams (10-letter code).

It would not be necessary to republish existing code books containing 10-letter code words.

(c) Checking the number of vowels in code words being no longer necessary, the work of the counter clerks would be simplified in accepting code telegrams and the rapid disposal of such telegrams would be facilitated.

3. The adoption of the five letter code system might result in a slight increase in the cost of telegrams in some cases. On the other hand considering the advantages to be gained particularly as regards the more rapid transmission of code messages, it is hoped the commercial community will raise no objection to the proposed change which the department desires to make unless there are strong and general objections to it.

4. I appreciate the fact that the general consensus of opinion has been against the introduction of the five

letter code system, but the measure was carried in respect of foreign messages at the recent International Telegraph Conference at Madrid (incidentally, despite the opposition of the Indian delegation) and it is thought that advantages of uniformity between the foreign and the inland message regulations now point to the acceptance of the five-letter system for the latter also.

5. Before placing the matter before the Government of India for orders I shall be obliged if your Chamber will let me have an early expression of its views.

Letter No. 265, dated 31st January 1934, from Chamber, to the Director General of Posts and Telegraphs.

I am directed to acknowledge receipt of your letter of the 15th January 1934, regarding the question of adopting the five-letter code system in inland telegrams in place of the existing ten-letter codes.

When the question of adopting this system for International Telegraph purposes was to be discussed at the Madrid Conference, the Indian National Committee of the International Chamber of Commerce consulted commercial opinion. The Committtee of this Chamber at the time expreseed the opinion that a single five-letter system should be introduced **provided however that the charges were reduced by half.** The Indian National Committee endorsed this view and sent it on behalf of the commercial community to the International Chamber. The five-letter code system was ultimately adopted for International Telegraph purposes, but without a corresponding reduction in charges.

My Committee are opposed to its introduction for inland telegrams as it will be costly and inconvenient. They have considered the advantages which are enumerated in the second paragraph of your letter as likely to result from the

proposed change. These, however, are not such as to outweigh the disadvantages, which are increased cost and inconvenience, and my Committee, therefore, hope that the proposed system will not be introduced. It is admitted by Government in para. 3 of their letter that "the system might result in a slight increase in the cost of telegrams in some cases," and in para. 4 that the Indian Delegation had opposed it at the Madrid Conference. These statements lend support to the opposition of my Committee.

APPENDIX 25.

Proposal to increase the rates for Inland Press Messages.

Letter No. 2065, dated 8th August 1934, from Chamber to the Government of India, Fianance Department.

The attention of the Committee of this Chamber has been drawn to a representation made by the Indian Journalist's Association, Calcutta, protesting against the proposal to increase the rates for inland press-messages, and I am directed to make the following observations in support of the said representation.

My Committee feel that the proposed enhancement is uncalled for and they are not satisfied that there is any just and valid financial ground for the same at the present stage. It is acknowledged on all hands that the service of news is an important instrument for education of masses. In India, this service, as it is, is very meagre and compares poorly with that in the Western countries, and any enhancement in the existing rates for press-messages would further lessen the already meagre service, let alone the development of the same which is so very essential for the education of the masses in the country. My Committee are, therefore, strongly opposed to the proposal to enhance the rates for press-messages.

APPENDIX 26.

Levy of Warehousing charges on Foreign Parcels.

Letter No. 2493, dated 4th October 1934, from Chamber to the Director General of Posts and Telegraphs, New Delhi.

The attention of my Committee has been drawn to a Postal Notification, dated the 18th July 1934, in regard to the levy of warehousing charges on foreign post parcels. The proposal includes parcels which are detained under Clause 257-III (2) of the Post and Telegraph Guide. My Committee feel that the inclusion of parcels of this category which are detained for purposes of settling the duty payable on the same is inequitable and unfair and presses heavily on the merchants concerned. It will be admitted that the examination under this provisioon of parccels is, on many occasionns, made necessary for no fault of the addresses and yet if it is proposed to make him pay warehousing charges for the period of detention, it will be putting on him an unnecessary and avoidable burden. My Committee, therefore, suggest that the proposal for the levy of warehousing charges should not cover the period of detention necessary under Clause 257-III (2) and would, therefore, request the amendment of the Notification accordingly.

Letter No. F-M 386-34, dated 18th February 1935, from the Director General of Posts and Telegraphs, to Chamber.

I am directed to acknowledge the receipt of your letter No. 2493, dated the 4th October 1934, and to say that the matter is being examined and will receive the consideration of the Director-General. A further communication on the subject will be sent to you in due course.

II. FINANCE, TARIFF AND TAXATION.

APPENDIX 27.

Budget of the Government of India for 1934-35.

The Memorandum issued by the Committee of the Indian Merchants' Chamber on 3rd March 1934, on the Budget for 1934-35.

The Committee of the Indian Merchants' Chamber Bombay, have considered the Financial Statement (Budget) of the Government of India for the year 1934-35 presented to the Legislative Assembly on 27th February 1934, and they express their views as under :

The Committee of the Chamber are strongly opposed to the proposed levy of Excise duty on sugar. All taxes on production are objectionable in principle. Government may think that such taxes may be levied when Industry appears for the time being to be prosperous, but experience shows that authorities are reluctant to remove them after they have been levied, even when the position of the Industry deteriorates. If Government desire to tax the production of sugar to replace the loss of revenue from its importes, it is not necessary for them to adopt a method of taxation which may handicap the nascent industry for sugar manufacture and which is sure to undermine the confidence and security of investors in industrial enterprise.

The Committee cannot conceive how a financial exigency has arisen which would justify this step. The Committee must condemn as unbusinesslike the present efforts of Government at retrenchment, because it would appear that expenditure has not been brought down concurrently with the fall in revenue. The benefit of over Rs. 2 corores which is claimed by Government as the savings from conversion operations, and the adventitious gain from Capitation Charges should have induced Government to

refrain from additional taxation. The raid on the reduction of debt provision would, if at all, be only justified if no new taxes were levied. There is room for further retrenchment even in the Military Budget, and public opinion in India cannot be reconciled to the statement of the Fianance Member that the Military Budget cannot be reduced any further and may increase in future. The Committee suggest that the proposal for the Excise duty on sugar should be dropped for reasons mentioned above, and the amount be made up by further retrenchment in the Military and Civil Departments.

The Committee would like to know whether Government have fully satisfied themselves that this will not interfere with the growth of the Sugar Industry in this country, which has been the avowed object of the Central Legislature. A contradiction of the policy of protection, that was initiated only a short while ago, stands condemned particularly when on the basis of the declaration of Government in the Legislature large sums have been invested. The Committee have been assured by sugar interests that prices are rapidly falling and the very large profits made by some of the older concerns are not going to be the rule but the exception. If Government are jealous of the large profits made by sugar manufacturers, it might be a different story if a lavy were made on the excess profits, if they are not satisfied with larger revenue under Income-Tax and Super-tax collected from sugar companies. This at least would ensure that those factories set up under a definite promise of protection may not meet with insuperable difficulties in their early career and may secure normal profits on their investments. A tax which strikes at the Industry directly cannot meet with the approval of the Committee of the Chamber, particularly when the Budget Statement does not disclose imperative financial need.

The Committee regret the omission in the Finance Member's statement of an important cause of the reduction of the Customs revenue a cause which threatens to make further inroads on the Customs realised by British

India in coming years. This is due to the diversion of trade to Kathiawar ports generally but primarily to Bhavnagar. The Committee feel that the financial aspect of this position should be put before the Legislature frankly and Government should indicate what steps, if any, they are going to take to prevent further deterioration in the Customs revenue from this source. A suggestion was put forward from various interests affected in Bombay that the duty on foreign cotton consumed by Indian Mills should be collected not at the Ports but at the point of consumption. This merely illustrates one method of safeguarding revenue on goods consumed by British India and the Committee are anxious to know what is being proposed in this direction.

"The Committee have no objection to relief being given to the finances of Bihar, Bengal and Burma for reasons which may have appeared adequate to Government; but they must point out that grave injustice is being done in omitting any relief to Bombay, which is long overdue. Heavy new taxes have been imposed in Bombay during the last few years and there is going to be inevitable loss to the Government of Bombay in respect of Town Duty on Cotton. The Committee would like to impress on Government the fairness of the claim of Bombay which was heavily penalised by the Meston Settelement." If that Settelement is being modified piecemeal for the benefit of other Provinces, some emergency relief to Bombay is also indicated. It is not difficult for the Government of India to assess the total revenue which they are collecting from this Province, and it is only just and fair that a portion of it should be given back in order to prevent financial debacle which is likely to come about and which must, in the long run, be prejudicial to the financial interests of the Government of India themselves.

The Committee have also read with regret the proposal of the Finance Member imposing an Excise duty of Rs. 2-4 per gross on Matches produced in India. They are strongly opposed to the same, because matches are articles of necessity, and if the duty is going to raise prices as it has

already done, the levy of Excise duty as proposed would, apart from hindering the growth, and progress of the indigenous match manufacturing industry, constitute a great burden on the poor masses of the country.

The Committee are also opposed to the proposed increase in the rate for Book-Posts as, in their opinion, the same would constitute a tax on knowledge and also prove an additioal burden to the commercial and industrial community. The Committee would also press for reduction in rate for post cards.

The Committee feel that the proposal in regard to rates for Posts will not afford any substantial relief to the commercial and industrial community and the general public. They are of opinion that there is considerable room for economy in the management of Posts and Telegraphs Department which must be run on strictly commercial basis that should enable Government to reinstate the old Postal rates for letters, post cards, etc.

APPENDIX 28.

Statistical Tables relating to Banks in India.

Letter, dated 23rd February 1934, from Mr. D. H. Robertson to Mr. Manu Subedar.

There is one small point which I meant to mention at our meeting, and on which I should be grateful for your opinion. The Government of India issues a much delayed annual publication called "Statistical Tables relating to banks in India", which contains, among other things, a directory of banks with their branches all over India. Do you happen to know if this is found at all useful by the business world? The form of this publication will presumably have to be changed a good deal any how when the Reserve Bank Act

comes into operation, and there seeems to be a case for curtailing it with a view to securing more speedy publication. Would you please let me know what you think ?

Letter No. 646, dated 14th March 1934, from Mr. Manu Subedar, to Mr. D. H. Robertson.

The Committee of this Chamber have considered your letter, dated 23rd February. They are of opinion that the annual publication called the "Statistical Tables" relating to Banks in India should be continued, and the Exchange and other Banks should be asked to expedite supply of information for purposes of the publication. These Statiscal Tables are found to be useful to the business world, though of course they suffer through the delay. If the Banks supply the information quickly the usefulness of the publication will be increased to the business community.

APPENDIX 29.

Opening of Mints for the free coinage of Silver.

Letter No. F 886, dated 8th October 1934, from the Federation of Indian Chamber of Commerce of Industry to Chamber.

I am directed to enclose a copy of the letter received from the Merchants' Chamber of U.P., Cawnpore, which was considered by the Committee of the Federation at their meeting held in Bombay last week. Regarding the Chamber's suggestion to forward a telegram to President Roosevelt about his policy, the Committee were not in favour of taking any action in the matter. The Merchants' Chamber has suggested the opening of the mints to the free coinage of silver for the purpose of raising the general price level. In the course of the discussion that took place at the meeting, most of the members did not favour the suggestion as a

factor in raising the price level but before arriving at any decision on this question, the Committee decided to circulate this suggestion of the Chambers to the Member-bodies and to enquire of them if there were any new methods which appealed to their Committee for the purpose of raising the price level in the country. The Committee, will, therefore, very much appreciate an expression of views held by your Chamber on this question. As the meeting of the Committee is expected to be held in the third week of November, replies should be sent to this office as early as possible before 15th November, 1934.

Copy of letter No. 3155-34, *M-S.* 8, *dated* 16*th May* 1934, *from the Merchants' Chamber of United Provinces, Cawnpore, to the Federation.*

I am directed by the Council of this Chamber to suggest it to you to consider whether it would not be desirable to send on behalf of the Federation a cable to President Roosevelt telling him that the Indian commercial opinion is agreeable to the raising of the general price level by opening the mints of both the countries to the free coinage of silver. I am also to invite your attention to the message recently addressed to President Roosevelt by Sir Montague De Webb of Karachi.

Letter No. 2949, *dated* 5*th December* 1934, *from Chamber to the Federation.*

I am directed to refer to your letter No. F. 886, of the 8th October 1934, on the above subject, and, in reply, to say that the suggestion for the re-opening of mints for the free coinage of silver is undesirable, involving disastrous consequences in every direction and upsetting such economic stability as exists.

The question of raising prices in this country could be only dealt with if there was a *national* economic plan

which took account of all factors affecting production, consumption and trade. Raising price-level by tempering with Currency itself and leaving all the other factors as they are, is, in the opinion of my Committee, unsound. If the Federation desires to promote the object of raising price in India, they should urge on the Government the creation of a Central Economic Council, with preponderating Indian element; and to have the economic life of the people considered fully with foresight and on a well-regulated and planned programme.

APPENDIX 30.

Dr. D. B. Meek's Report on the Working of the Ottawa Agreement.

Letter No. 42-C (4)-34, dated 13th August 1934, from the Government of India, Department of Commerce, to Chamber.

I am directed to forward a copy of the Report on the working of the Ottawa Trade Agreement prepared by the Director General of Commercial Intelligence and Statistics which has been placed before the members of the Ottawa Committee elected by the Legislative Assembly. I am to request that if your Chamber desire to forward opinions on any matter contained in the Report, the same may be furnished to this Department before the 25th August addressed to the Secretary to the Government of India Department of Commerce. The Report is being published on Tuesday, the 14th August.

Letter No. 2170, dated 23rd August 1934, from Chaber to the Government of India, Department of Commerce.

I am directed to acknowledge receipt of your letter No. 42- C (4) -34, dated 13th August 1934, and to send here-

by the views of the Committee of this Chamber on the Report of Dr. Meek on the Working of the Ottawa Trade Agreement.

Before dealing with the Report proper, my Committee wish to point out that facilities given to them for expressing their opinion on the same have been extraordinarily meagre, as they received only one copy of the Report on the 14th instant, and were asked to send their opinion by the 25th. For a Committee of a Chamber of Commerce one copy of the report of this importance is practically of no use, as the Committee as a whole cannot express their opinion after careful and close study of the report, which would have been possible if copies of the same were available for sale or if Government had sent at least half a dozen copies to them. I am desired to say this as a preface to this letter, as my Committee feel that in view of the importance of the subject and in view of the fact that the Report was made available to the Committee of the Assembly at least a week before it was sent here. There appears to be very little in the report which needs to have been kept secret. If the report is a compilation of the figures already available my Commitee wonder why Government thought it necessary to release the report even to commercial bodies like this Chamber so late. My Committee have no hesitation in saying that the precedent which has been set in this matter is an undesirable one and they hope that Government will take steps to see that it is not repeated.

2. The resolution of the Assembly to give Imperial Preference in accordance with the so-called Agreement at Ottawa, was passed in December 1932. It is understood that the preferential duty came into operation as from January 1933. The report of Dr. Meek covers generally imports and exports from the beginning of 1933 to March 1934, a period of 15 months. The inadequacy of such a period for judgment has been sufficiently emphasised in other quarters, and my Committee have only to draw the attention of Government to this. Added to this, this very short period under review, it is to be borne in mind, has been a period

of an extrordinary economic upheaval in various countries, due to exchange instability, changing prices and changing tariffs,—all powerful factors which can well overshadow the effect of a 10 per cent. Preference in either direction. With this background clearly in mind, what India has to judge today is: whether the Ottawa Preference, granted from 1st January 1933, has benefited India. Dr. Meek's report is not rightly very enthusiastic about this. He, however, by an inference, wishes it to be conveyed that there has been some advantage to India as far as some products are concerned. My Committee feel that if there is one thing clear from the report it is this: that the advantage to which Great Britain may have looked forward, as a result of the Ottawa Preference, she has been able to secure even during this short period of 15 months. The *quid pro quo* for India in return was said to be bigger and better market for India's raw produce abroad. There is very little in Dr. Meek's report to substantiate that position. Where it does, the conclusions are not convincing. For example, in the case of linseed, there is one important fact to bear in mind that whether there was Imperial Preference or not, more linseed would have gone to the United Kingdom during this period, because of the failure in linseed crop in Argentine and U. S. A., and also due to the advantageous prices of linseed from India. Indeed, other countries have taken more linseed from India than normal owing to this.

3. Regarding raw cotton, it is well-known that during this period East Indian cotton was selling considerably below the parity with American cotton, irrespective of the Preference,—a good commercial produce on its own merits. Added to this, it is to be kept in mind that there was an unfortunate temporary chaotic state in the Indian market from May 1933 till December 1933 owing to the impasse over the Japanese negotiations. The Government of India cannot be unaware what a rude shock this state of things gave to the raw cotton producer and holder in India, which obviously made purchase of Indian cotton very attractive, irrespective of any Preference. The conviction of my

Committee is that during the period under report, India has gained nothing regarding her raw produce exports as a result of the Preference on the whole.

4. There is another aspect of the question. It is clear from the report that British imports into India under various heads have been appreciably stimulated by Preference. But the question is: has not the greater export from the United Kingdom to India of manufactured articles hit the nascent and infant industries of India ? It is to be regretted that when Government wanted people to come to any conclusion about this Preference to the United Kingdom, they did not think it incumbent on them to ask the Director of Statistics to prepare statistics regarding the infant industries. My Committee feel that this should have been regarded by Government as their essential duty after the Ottawa Agreement was passed by the Legislative Assembly, in December 1932. My Committee have regretfully to remind Government that they have still to put the Indian public in the position of judging the issue in the absence of statistics of these industries, which they could very well have arranged to get prepared during the period of 15 months. The general impression, based on personal and intimate knowledge of people interested in these small industries, is that the Preference to the United Kingdom has, in certain respects, been detrimental to some of these industries.

5. The most important aspect in this connection is that conclusions, based on insufficient material under conditions which are ever-changing and indeed admitted to be unstable, are dangerous.

6. In conclusion, my Committee are of opinion that Dr. Meek's report does not carry conviction that the prospects held out as benefit to India as the result of the Ottawa Agreement have materialised, and hold that India has gained nothing. As regards Preference given to British imports into India, the advantage has been of very doubtful

character to the consumers and has been definitely detrimental to some of our infant industries. It is to be stated that in entering into this Agreement, India has risked a good deal as regards her foreign customers and it is apprehended that by the continuance of this Agreement permanent harm may be done to India's trade with other foreign countries and to the interests of the agriculturists.

APPENDIX 31.

Report of the Currency Notes Refund Rules Committee.

Letter No. 2673, dated 31st October 1934, from Chamber, to the Government of India, Finance Department.

The Committee of this Chamber have gone through the Report of the Committee to examine the Currency Notes (Refund) Rules, and the resolution of the Government of India have published on the same.

My Committee appreciate the efforts that have been made by the aforementioned Committee to meet the viewpoint of the business community, but at the same time feel it their duty to point out that the suggestions made in the Report do not come upto the requirements of the commercial world. The gentlemen, who represented this Chamber, pointed out to the Currency Notes Committee that it would not be deemed advisable to declare the cutting of currency notes illegal till fuller remittance facilities were given and at cheaper rates. The Currency Notes Committee themselves admit that the fact that "despite a very large element of risk by remittance by this means, it still persists on a large scale, indicates undoubtedly that in the opinion of the public the facilities for remittance by other means are either inadequate or unduly expensive or both."

The Currency Notes Committee have proceeded to state in what directions remittance facilities can be given

at a reduced cost. There are several other directions also in which those facilities can be introduced. Even the recommendations given in the Report can be broadened and extended so as to bring remittance facilities to business people and the general public.

Government, however, in their resolution, say that "the substantive recommendations of the Committee should be subjected to detailed investigation in the light of information which was not available to the Committee before they are finally adopted." This evidently contemplates another Committee and means that some time will elapse before the recommendations can take final shape. My Committee note that Government have notified in their resolution that no modifications should be made in the existing Currency Notes (Refund) Rules for the time being and that the question should be postponed until the Reserve Bank is in a position to take over the control of the Currency. Eventually, when remittance facilities are fully and freely given, the rules may be screwed up; but even then in the opinion of my Committee, cut currency notes should continue to be paid by the Currency Authorities, till the people have got themselves adapted to the new remittance facilities and a sufficient time, say five or seven years, has elapsed.

APPENDIX 32.

Issue of New Five and Ten Rupee Notes.

Letter No. 2913, *dated* 17*th November* 1933, *from Chamber, to the Government of India, Finance Department.*

The attention of the Committee of this Chamber has been drawn to the issue of the new Five and Ten Rupee notes of smaller sizes than those of the previous issue. Government must no doubt have received complaints from various quarters in regard to the unsuitability of these new notes, particularly in the mofussil. Reports are not wanting from

various parts of the country to the effect that these notes are quoted at discount and the agriculturists refuse to accept them. My Committee would be obliged if Government will be pleased to let them know the reasons as to why they thought it advisable to introduce these new smaller-sized notes in the country.

Letter No. 9894-F, dated 22nd December 1933, from the Government of India, Finance Department, to Chamber.

With reference to your letters Nos. 2913 and 3123, dated respectively, the 17th Novemmber and the 13th December 1933, I am directed to forward you a copy of the reply given on the 1st September 1933 to a question asked in the Assembly on the above subject. I am to add that in view of the complaints against the quality of the paper used for these new designs, the Government of India are contemplating the use of a thicker paper, while retaining the size of these notes, which would preserve a greater part of the saving originally expected from their introduction.

Question.

Mr. Badri Lal Rastogi :—(*a*) Will Government be pleased to state the reasons that led them to introduce recently a new pattern of five-rupee note ?

(*b*) Are Government aware that the new five-rupee note is very unpopular among the masses because of its liability of damage, and deterioration on account of the thinness of its paper and smallness of size ?

(*c*) Are Government aware that this new note runs the risk of being destroyed, defaced and even torn because of its being handled and folded frequently and constantly ?

Reply.

(*a*) The change is expected to result in a considerable economy without causing any inconvenience to the public.

(*b*) No, the note is less liable to damage and the paper though thinner is actually stronger than before.

(*c*) As a small note is likely to be subjected to less folding than a large note and as the paper of which the new notes are composed is of strong quality, Government consider that notes of the new pattern should last at least as long as the old notes.

Letter No. 24, dated 4th January 1934, from Chamber, to the Government of India, Finance Department.

I am directed by the Committee of this Chamber to acknowledge receipt of your letter No. 9894 -F, dated 22nd December 1933, together with its enclosures, and in reply to observe as under :

My Committee are glad to note that in view of the complaints against the quality of the paper used for these new designs Government are contemplating the use of a thicker paper. They would, however, in this connection like to bring to the notice of Government complaints from various quarters and particularly from the mofussil regarding the size and colour of these new 5 and 10 Rupee Notes. The size and colour of these new Notes are so similar that the people in the mofussil find it extremely difficult to distinguish one from the other. My Committee would, therefore, urge the Government of India to be pleased to restore the original difference betwween the size and colour in the new 5 and 10 Rupee Notes.

APPENDIX 33.

The Indo-Japanese Agreement and the Indian Tariff (Textile Protection) Amendment Bill.

Letter No. 392, dated 17th February 1934, from Chamber, to the Government of India, Department of Commerce.

The Committee of my Chamber have considered the provisions of the Indian Tariff (Textile Protection) Amendment Bill and feel bound to observe that the inordinate

delay in the publication of the Textile Tariff Board's Report, signed in November 1932, has seriously handicapped public bodies in offering just criticisms. The delay was all the more regrettable as the situation of the Indian Textile Industry had already beome very serious at the time the Report was ready. They cannot help pointing out that the deliberations and negotiations in connection with the Indo-Japanese Agreement as well as the Less-Mody Pact would have been concluded, on the Indian side, with better data, and resulted in greater benefit to India, had the parties concerned the benefit of the Tariff Board's Report before them. They also regret that Government have materially changed the basis of the scheme of protection recommeded by the Board as most necessary for adequately safeguarding the Indian Textile Industry. For these reasons, my Committee cannot avoid the feeling that influences and considerations, not strictly pertaining to the immediate interests of Indian industry and the Indian fiscal system must have been at work, and they accordingly regret this attitude.

The Indo-Japanese Agreement provides for the most-favoured-nation treatment in respect of manufactures of either country in the Custom Tariff of the other. The Committee must emphasise that the spirit of such treaties requires extension of this treatment in all respects affecting their mutual trade rights and interests. In view, however, of recent disclosures in the British Parliament, regarding Japanese practices in violation of such legislation as the Merchandise Marks Act or Certificates of Origin, my Committee feel that the strictest vigilance would be necessary to see that the Agreement is duly enforced. They, therefore, strongly recommend that a special Trade Commissioner, preferably one possessing the confidence of the Indian commercial community, should be appointed by, and responsible to, the Government of India. In view of the possible divergence of interest between India and Britain, they feel that this task cannot be entrusted to the British Consular or Diplomatic Agency in Japan, if India's interests are to be fully protected.

Regarding the details of this Agreemnet my Committee note that its main provisions are by no means so favourable to India as they clearly are to Japan.

(*a*) The scale of piece-goods imports from Japan, fixed in co-relation to exports of Indian cotton exported to Japan, is so devised as to permit Japan to import a certain bale of Indian cotton.

(*b*) Japanese mills, moreover, have been purchasing and using Indian cotton so largely in recent years, that my Committee cannot believe the quantity of Indian cotton now agreed to be purchased by Japan is a substantial consideration offered to this country. The Indian cotton grower may perhaps have received some immediate relief as the result of this Agreement; but my Committee cannot conceal it from Government that the real interests of the Indian cotton producer would be served only by the adoption of a rigorous policy of national self-sufficiency in regard to utilisation by the local industry of the raw cotton produced within the country itself.

(*c*) My Committee appreciate the provision in the Agreement for special additional measures in the event of further depreciation of the Yen, and would advise extension of this principle of special protection against dumping from countries with depreciated exchange. So long as India is tied to British apron strings in matters of Currency and Exchange, any provision like the one in this Agreement is liable to be stultified, so far as Indian interests are concerened, unless the Government of India insist upon a real fiscal and financial autonomy.

In recongnition of these facts, my Committee advise that, within the period of this Agreement, steps must be taken to safeguard effectively the interests of the Indian Textile Industry and cotton producer, specially if the reports about extensive cotton cultivation in Manchuria are not unfounded.

My Committee must invite Government's attention to the special favour shown to imports of artificial silk fabrics

which, they feel convinced are increasingly becoming a competitor of Indian textiles. They note that there is no mention in the Agreement of this article,and yet in the present Bill preferential tariff is provided for British artificial silk goods, and a generally lower tarriff for other such goods.

II. Preference to British Textiles.

Regarding preference to British goods, my Commitee must, first of all, reiterate their strong conviction that not only is any scheme of Imperial Preference undesirable in the interests of the local industry,but that no scheme of preferrence should ever be introduced, which would reduce in the slightest degree the effective protection needed for adequate safeguarding of the industry. They believe that this basic principle is not properly attended to in this Bill.

2. They also realise that the Lees-Mody Pact, and its consequence of preference to British textile goods, is even more objectionable than the Indo-Japanese Agreement, since in that Pact no consideration is shown to Indian raw cotton. My Committee doubt the possibility of any substantial consumption of Indian raw cotton by British mills to compensate for the handicap imposed on the Indian industry by this Preference.

In conclusion my Committee would point out that the Textiles Tarriff Board's report contain many other recommendations, regarding the rehabilitation and improved efficiency of the Indian Textile Industry reegarding which, they regret to note, Government seem to be indifferent. Though the Tariff Bill may not be a suitable medium for attending to these other apsects of the Indian Textile Industry,Indian public would have appreciated an official declaration of policy in these matters on the occasion of the Textile Protection Bill.

APPENDIX 34.

Non-allotment of freight space to Indian shippers of raw cotton to Japan by the Agents of Japanese Cotton Spinners' Association.

Letter No. 83, *dated* 11*th January* 1934, *from Chamber, to the Government of India, Department of Commerce.*

I beg to confirm the telegram sent to you to-day by my Committee as under :

> "Committee Indian Merchants Chamber beg to bring to notice of Government that in spite of duties on importations from Japan having been reduced and boycott of cotton supposed to have been lifted from Monday last cotton shippers bitterly complaining that freight space for shipments to Japan is not allowed to them so far by the Agent of the Japan Cotton Spinners Association in Bombay stop Committee believe that such agreements ought to be mutually simultaneous in operation—Inchambu."

Letter No. 103, *dated* 13*th January* 1934, *from Chamber, to the Government of India, Department of Commerce.*

I am directed to confirm hereby the telegram sent to you today by my Committee as under :

> "In continuation of our telegram, dated 11th instant, regarding Japanese boycottt of cotton further telegraphic advices from various firms definately signify undue preference in freight has been allotted to Japanese shippers in India thereby hindering *bona-fide* sales by Indian shippers, causing loss to commitments for early and near shipments. Urgently request take necessary steps to safeguard Indian shippers interests best possible—Inchambu."

In this connection I am also to send to you hereby a copy of a telegram received from Japan by one of our members, which speaks for itself :—

"Rengokai's allotment unfair firms other than Gosho Japan Toyo allotting them 71.5 per cent of one lac bales January steamers sixty-six per cent of one lac half bales February sixty half per cent of one lac half bales March April respectively this allotment made to comenpsate their loss by having lost opportunity operation in strictly adhering boycott decision other firms raised strong objection but decision unaltered urge you to take steps subvert their autocratic action Rengokai decided freight preference to three big Japanese firms allotted them seventy per cent freight upto April most arbitrary Indian shippers big losers approach request Government negotiate abolition of Rengokai control immediate action needed strongly recommended forming Japan cotton exporters association to protect Indian exporters interests.

Indian Trade Association Kobe."

I am also giving below some figures which would sufficiently show that preference is definitely being given to Japanese shippers:—

Percentage of Cotton Exports.

(*Figures from Spinners' Union*)

	1930-31	1931-32.	1932-33.
Toyo Menka Kaisha	25%	25%	20%
Gosho K. Kaisha	17	17	16
Japan Trading Co.	14	14	15
Total	56	56	51

APPENDIX 35.

A Bill to regulate Money-lending in the Bombay Presidency.

Letter No. 2672, dated 31st October 1934, from Chamber, to the Secretary, Bombay Legislative Council.

I am directed to refer to your letter No. 777, dated 5th September 1934, and, in reply, to communicate to you hereby the views of my Committee on the subject matter of the Bill to regulate money-lending business introduced in the last session of the Bombay Legislative Council.

My Committee are aware that suggestions have been made from various quarters and particularly by the Central Banking Enquiry Committee in regard to the necessity for some legislation regulating the operations of money-lenders, with a view to eradicate some of the unhealthy and rapacious practices generally associated with certain types of money-lenders. They are in general sympathy with proposals for legal checks designed to control the questionable practices in the profession of money-lending and to secure to the illiterate and poor labourers protection from such practices. But the Bill under reference, they are afraid, will not fulfil the object in view and, therefore, does not meet with their approval. It is possible that in its present wide form it may affect adversely the interests of borrowers, by unnecessarily restricting credit operations of money-lenders and by making credit very shy. As, in the opinion of my Committee, the present Bill is too wide and will fail to achieve its objects, they do not propose to enter into a detailed examination of its various provisions.

My Committee would, however, suggest that Government should now, instead of leaving the matter to be dealt with by a private bill, draft a bill of their own, more certain and definite in its object and scope. Such a Bill should cover only loans to labourers and artisans and such other class of people who are supposed to be victimised now and who require to be protected. There is absolutely no need

to bring in transactions covering sale of goods within the purview of such a legislation. Money-lending should be properly defined so that casual advances or accommodation by those who are not professional money-lenders could be excluded. The Bill suggested by my Committee should be made applicable to borrowers with an annual income of not more than Rs. 1,000 and loans of amounts below Rs. 500.

My Committee would, therefore, recommend the introduction of a Government Bill more precise in its object and more limited in its scope. They would repeat that the Bill, as at present drafted, is highly unsuitable and should, therefore, be rejected.

APPENDIX 36.

Increasing Imports of Fents into India.

Letter No. 1728, dated 9th July 1934, from Chamber, to the Government of India, Finance Department.

It has been brought to the notice of the Committee of this Chamber that a large quantity of Japanese cloth is imported in lengths of 3 yards and 6 yards. It is said that these cut-pieces are of uniform lengths and have been cut into pieces to get them passed as fents on lower import duty. It would appear that these cut piece-goods are over and above the quota goods settled by the Government of India with the Government of Japan for importation of Japanese cloth, and if so, it is likely to defeat the purpose for which quota settlement was made by Government. My Committee hope that Government will be pleased to enquire into this and see if the circumstances are as described above. If they are so, the remedy would appear to lie in equalising the duty on fents and the ordinary cloth, in order that there may be no temptation to have ordinary cloth cut up into pieces and import them here. The imported fents, with their smaller incidence of duty, compete with indigenous cotton textiles and thus harm the mill industry. Because of this reason also my Committee would favour equality in duty as

between fents and ordinary cloth. As the question is thus of great importance from the point of view of trade and industries and also from the point of view of the recent Agreement, my Committee will be obliged if an early reply is sent to them.

Letter No. 2297, dated 8th September 1934, from Chamber, to Government.

I am directed to remind you of this Office No. 1728, dated 9th July 1934, on the above subject, and to request you to be so good as to let my Committee have an early reply to the same.

Letter No. C 760-Cus-1/34, dated 13th September 1934, from the Central Board of Revenue, Simla, to Chamber.

With reference to the letter quoted above, I am directed to say that the matter is still under consideration and that the decision will be communicated to you as soon as possible.

APPENDIX 37.

Indo-British Trade Negotiations.

Letter No. 2860, dated 14th November 1934, from Chamber, to the Government of India, Department of Commerce.

I beg to confirm the telegram sent to you to-day reading:

> "Committee Indian Merchants' Chamber much concerned over press reports regarding Anglo-Indian trade negotiations. Suggest Government consulting Indian commercial and industrial interests regarding negotiations before they reach final stage as Committee apprehend these negotiations bound to affect industrial development of India."

In this connection I am also directed to send to you hereby copies of the speeches of the President and the Vice-President of the Chamber at the last Quarterly General Meeting and to invite your attention to the observations therein regarding the association of representative Indian opinion in the proposed trade negotiations between India and Italy and in the Anglo-Indian Trade Agreement.

My Committee would request that Government should announce without any loss of time, the procedure they propose to follow in regard to these negotiations.

Letter No. 20-T (55), dated 22nd November 1934, from Government to Chamber.

With reference to your telegram, dated the 14th November 1934, and letter No. 2860 of the same date, on the above subject, I am directed to say that the views of your Chamber have been noted by the Government of India.

APPENDIX 38.

The Tariff Board's Report on protection to the Indian Steel Industry.

Telegram, dated 24th July 1934, from Chamber, to the Government of India, Department of Commerce.

"Committee Indian Merchants' Chamber deplore the trend of the Tariff Board report on Steel Industry because it puts forward proposal to reduce level of protection in spite of previous scheme having failed in its objective. They strongly protest against the Tariff Board going below line of revenue duties which will introduce vicious principle. The need for such course is not established and this becomes objectionable because it involves in present depleted state of India's finances direct sacrifice of taxpayers' money in interests, not of Indian industry, but of the British manufac-

turer. Committee protest against the proposal for the introduction of excise duty on Steel for which direct taxation on production there is no justification as a normal expedient in Indian finance. The position of Indian manufacturer in the matter of tested steel is weakened by deliberate preference to Britain, while there is no guarantee that Britain will not dump on to this country untested steel at specially low prices. The proposed reciprocity through free entry of Indian Pig into Britain is unconvincing as it involves preponderating advantage to British interests in low duty on British sheets. The Committee request Government to stand by this national industry and to devise scheme which will enable the existing company to prosper and induce new works to come into existence so as to make India self-sufficient."

APPENDIX 39.

Representation to the Tariff Board re: the Steel Industry Enquiry.

Letter No. 394, *dated 19th Febuary* 1934, *from Chamber, to the Tariff Board.*

Representatives of the Committee of this Chamber, when they were orally examined by the Tariff Board in Bombay, referred to a memorandum submitted to the Board by representatives of the British Iron and Steel Industry and observed that the Committee of the Chamber might like to submit a supplementary memorandum regarding the same, if the Board allowed. The President of the Board replied that they would gladly receive it if the Committee chose to send it on. My Committee have now considered the memorandum and its supplement as submitted by British Iron and Steel manufacturers. They beg to give here the views expressed by the President of this Chamber at the last Annual General Meeting of the Chmamber. These substantially represent the views of the Committee of the Chamber :

"You are aware that the question of extending protection to the Indian Steel Industry is at present being considered by the Tariff Board. Your Committee, in submitting their views to the Board, expressed the opinion that adequate protection to the Indian Steel Industry was a very important matter for the country. If the Industry got an adequate measure of protection, which was asked for, it should be in such a position as to withstand foreign competition without any undue burden on the consumer. I need hardly stress the vital fact that the Steel Industry is an essential Key industry of the country and as such requires to be established on a firm and permanent basis by means of an adequate measure of protection.

In this connection, I would like to draw your attention to the demands made by the British Steel Industry, in their memorandum submitted to the Tariff Board. Among others they have demanded free entry of iron and steel products of the United Kingdom manufacture into India, and increase of the existing duty on non-British products. They go even further and suggest that the Indian market should be divided on a geographical basis between the Indian and United Kingdom producers, respectively. These are really very astounding demands on the part of the British manufacturers. India is committed to an irrevocable policy of protecting her industries to the fullest possible extent, and any demands coming from whatever outside source which may tend to the whittling down of this policy stand condemned and should be stoutly opposed. Let us hope that the Tariff Board will bear this fundamental aspect of the question, and will not allow any concessions to the British Steel Industry in the matter of protection to the Indian Steel Industry."

In this connection, my Committee would like to make some observations in regard to the working of the Ottawa arrangement regarding iron and steel between the Tata Iron and Steel Co. and the British Iron and Steel manufacturers to show how the same had in practice resulted in little, if

any, benefit to the Indian Steel Industry, but on the contrary in considerable loss of Customs revenue to the Government of India.

As the Tariff Board are aware the Supplementary Ottawa Agreement regarding iron and steel was finally arrived at towards the end of 1932. The benefit to the Indian industry as a result of the preference to the Indian pig iron in the British market and of the special preference to British sheets made from that iron had been meagre. My Committee are informed that the benefit can be approximately put down to a sum of about Rs. 5 lakhs at the most. On the other hand the loss to the Indian Exchequer by the reduction of duty is much greater as would be seen from the figures for imports of British sheets. From April to the end of November 1933, imports of British sheets made from the Indian sheet-bars were about 10,000 tons and those made from non-Indian sheet-bars about 22,000 tons. The loss of revenue, my Committee submit, by charging a lower rate of duty on these imports would amount to about Rs. 12 lakhs for a period of 8 months only. At this rate, the loss of revenue for the whole period of the Supplementary Ottawa Agreement upto the end of September 1934 might come to about Rs. 30 lakhs. This is no *quid pro quo* to Indian interests corresponding to this sacrifice and the whole arrangement lacks reciprocity on which alone its continuance in any form can be justified. My Committee beg to point out that the situation as disclosed by these figures has already become very serious, and if the demands of the British Iron and Steel Industry, as contained in their memorandum to the Tariff Board, are conceded it would become much worse and would vitiate the protection granted to the Indian Industry. They, therefore, reiterate their support to the observations made by the President referred to above, *viz.* to reject the demands of the British Steel Indusry, in this regard. In the alternative it would impose a sacrifice on the part of the Indian consumer out of reach of the Tata Iron and Steel Company's products in non-Indian interests for which there can exist no justification whatsoever.

APPENDIX 40.

The Bill to provide for modification and continuance of the protection afforded to Iron and Steel Industry in British India and to impose an Excise duty for revenue purposes on certain Steel.

Letter No. 2067, dated 8th August 1934, from Chamber, to the Government of India, Department of Commerce.

The Committee of this Chamber have already addressed a telegram to your Department with referenee to the Report of the Tariff Board regarding the protection to be given to the Steel industry. They have now considered the Bill to provide for modification and continuance of the protection afforded to Iron and Steel Industry in British India and to impose an Excise Duty for revenue purposes upon certain steel.

The Tariff Board have assumed that the Company will receive the same price for the various classes of steel whether tested or untested. But if the Steel Company were to produce all its output of the tested quality its cost would go up beyond what is assumed by the Board. On the other hand, if it sells most of its output in untested quality it will have to lower the price at which it sells and will not, therefore, recoup the fair selling price fixed by the Tariff Board. My Committee would, therefore, like to suggest that it is not right to effect heavy reduction of duty on British steel (which the Tariff Board has regarded as equivalent to tested) and its entire removal in some cases. They regard this as a very serious drawback of the whole scheme and fear that in a short period the whole problem will have to be reconsidered.

My Committee would like to draw the attention of Government to the fact that in some cases the duty recommended and the method of calculation put down in the Bill would lead to an even lower scale than that recommended by the

Tariff Board. For eaxample, in the case of item No. 148 (2) *i. e.* Galvanised sheets the Tariff Board had recommended in the proposed Tariff schedule specific duty of Rs. 10 per ton or an *ad valorem* duty of 10% whichever was higher. On the basis of Rs. 160 c. i. f. for British imported sheets the *ad valorem* duty would be Rs. 16 and would, therefore, prevail over the alternative specific duty. Under the Bill, however, the excise countervailing duty will be added to the specific duty of Rs. 10 and the combination made alternative to the *ad valorem* duty of 10% whichever is higher with the result that the duty will still be approximately Rs. 16 per ton, while the steel industry will have to pay an excise duty equivalent to Rs. 5-5-4 per ton of finished sheets. The effect of this is bound to be that countervailing duty will be rendered entirely nugatory which was certainly not the intention of the Tariff Board.

My Committee may also be allowed to draw your attention to the fact that while they find that preference to Britain is to be embodied in the Act the advantages to Indian pig iron are only a matter of assurances. The Legislature has not had before it any definite and calculated report as to the outcome of the reciprocity arrangement so far. The view of my Committee is that the reciprocity is unequal and the benefit to Britain much more serious and real while the benefit to India is meagre and problematical.

It has come to the notice of my Committee, *vide* "Statist", dated 16th June 1934, page 1,005, that an agreement of some kind is about to be effected between British Steel Manufacturers and the International Steel Cartel by which markets will be divided out. In such a situation, it would be hazardous to assume permanency for prices. This risk of assuming any particular set of prices has been already experienced since the last Steel Protection Act. It would also be difficult to assume that the sources of supply to India which have been taken for granted by the Tariff Board might not seriously vary, and upset the entire scheme of protection. Should such a contingency as mentioned above arise, my Committee would urge that, on passing of the Bill, the power

vested in the Governor General in Council in Clause 2(*a*) (4) of the Bill should be promptly exercised, because any delay in adjusting the import duty on the protected articles to fluctuations in prices on account of various, and particularly to those factors referred to above, might vitiate the protection afforded to the Industry.

My Committee have already protested against the proposed imposition of Excise duty on locally manufacutured steel ingots. Attention has been drawn of Government to the fact that it is a vicious principle that wherever an article is protected to go below the line of revenue duty. Going below the line of revenue duty is a stab in the back to established industries and is falsifying their legitimate expectations. Further, it will involve a direct sacrifice of revenues. My Committee cannot understand how in the present state of India's finances the Government of India can countenance such a proposition. They emphasise that this sacrifice is all the more galling as it is not in the interests of Indian Industries.

APPENDIX 41.

Adequate Protection to the Indian Woollen Industry under the new Tariff Amending Bill.

Letter No. 268, *dated* 1st *February* 1934, *from Chamber, to the Government of India, Department of Commerce.*

I am directed by the Committee of this Chamber to draw the attention of Government to some serious defects in the new Tariff Amending Bill now being considered by the Indian Legislature in the provisions concerning protection to the indigenous wollen Industry and address Government on the same hereby.

In the first place my Committee would like to point out that the protection which Government propose to grant to the indigenous woollen industry under the new Bill does

not in any way protect the industry so far as important items like woollen rugs, blankets, shawls, knitting wooll and weaving yarn are concerned. These are among the largest lines of manufactures of the various woollen mills in India which are still faced with the ever increasing menace of unfair foreign competition. In order that the interests of the Indian Woollen Mills may be adequately safeguarded, my Committee would strongly urge the imposition of a specific duty of 18 annas per lb. on the items mentioned above along with the *ad valorem* duty, whatever is higher.

My Committee note that in the provisions of the New Tariff Amending Bill, British woollen products are exempted from the application of the specific duty. They feel convinced that as far as the indigenous woollen industry is concerned, the competition from the United Kingdom on account of this exemption would not only continue as before but it would be considerably increased because imports from Japan and other non-Empire countries affected by the specific duty would be largely captured by the United Kingdom. The plight of the indigenous woollen industry would, therefore, be as serious as before, and the principal object of the Bill, *viz.* protection of the indigenous industry from outside competition, would be frustrated. My Committee regret to note that instead of securing an adequate measure of protection to the Indian woollen industry from foreign competition, it is sought to secure further Imperial Preference for the British woollen industry. They, therefore, strongly urge that the British woollen piece-goods should not be exempted from the imposition of specific duties.

My Committee understand that representations from the indigenous woollen industry have already been made to Government on the matters referred to above. They trust that Government would be pleased to favourably consider the same and modify the new Tariff Amending Bill on the lines suggested above.

APPENDIX 42.

Protection to the Indian Woollen Industry.

Letter No. 3075, *dated* 19*th December* 1934, *from Chamber to the Tariff Board.*

With reference to the Resolution of the Government of India, Commerce Department, No. 9-T (2) 34, dated 20th October 1934, I am directed by the Committee of this Chamber to send to you hereby their views on the question of protection to the Indian Woollen Industry.

After the passing of the Safeguarding of Industries Act in 1933, Government introduced in the Legislative Assembly a Tariff Amending Bill, by which additional duties were proposed, among other things, on certain woollen materials. I am sending to you herewith a copy of the communication, which my Committee then addressed to the Government of India, from which it will be observed that even before this reference to the Tariff Board, my Committee had pressed the claims of the industry for protection.

In this connection, my Committee have seen the case submitted to the Board by the woollen mills. They do not, at this stage, wish to enter into a detailed examination of the same. They would generally support the claim of the Industry for protection. In the opinion of my Committee, the Industry satisfies the conditions laid down by the Fiscal Commission for protection; it has the natural advantages and, from the experience of the past few years, it could be safely said that without such protection, the Industry is likely to go to the wall. It should also be possible for the industry to stand on its own legs ultimately, although at the moment it is difficult to form an estimate as to the period for which protection would be necessary.

The Tariff Board will have, during the course of their investigation, evidence as to the extent of protection that will enable the Industry, firstly, to face the foreign competition, and, secondly, to consolidate its position. As has been

mentioned, my Committee do not wish, at this stage, to enter into the details; but all the same they must emphasise that the Board should give adequate consideration to the needs and requirements of the Industry and recommend a liberal measure of protection.

My Committee presume that in due course the Board would, as usual, be issuing a questionnaire. They would then, if necessary, deal with the matter in greater detail.

APPENDIX 43.

Adequate Protection to the Indian Hosiery Industry.

Letter No. 1543, *dated* 19*th June* 1934, *from Chamber, to the Government of India, Department of Commerce.*

Messrs. Ahmed Ebrahim Brothers of Rangoon, manufacturers of Hosiery have forwarded to my Committtee a copy of their representation to the Hon'ble the Commerce Member, dated the 21st May 1934. A copy of the same is enclosed herewith for ready reference.

The communication draws the attention of Government to certain loopholes in the present tariff classification which enables imports of certain classes of foreign hosiery at lower rates of duty than those contemplated under the Tariff Amendement Act. The representation has stated various instances in which by minor changes in design and form, importers have been able to evade the higher classification and get their goods assessed at a lower rate of duty.

The facts and instances cited by the representation call for attention, and it is imperative that the protection accorded to the indigenous industry by the Tariff Amendment Act, 1934, should not be nullified or reduced by any such loopholes. My Committee, therefore, request that Government will be pleased to give this matter their serious

attention and find out ways and means for preventing such evasion either by suitably amending the tariff classification or in any other manner that they may feel justified. My Committee hope that Government will give this matter their early attention.

Copy of letter from Messrs. Ahmed Ebrahim Bros., Rangoon, dated the 21st May 1934, to the Hon'ble Sir Joseph Bhore, Commerce Member to the Government of India.

The Hosiery manufactureres of India and all connected with the Industry and deeply grateful to the Government for the protection so generously granted to this Industry and as owners of a large and upto-date hosiery factory situated near Rangoon, and known as "Ahmed Violin Hosiery Works" we also are deeply grateful to the Government and to you, for the great care and perseverance with which you have been good enough to study our case, and for doing justice by granting protection.

It is well known to all connected with the Industry that the intention of the Government was not only to grant protection alone, but to make it thoroughly effective, so that the Indian Industry may have a fair opportunity of establishing itself on a sure and paying footing.

As the result of the passing of the Indian Tariff (Textile Protection) Amendment Act, 1934, new duties relating to Hosiery have come into force as from the 1st May 1934, and we find that the wording of new items is such, as will enable several types of Foreign cotton hosiery to enter India at the very low rate of duty of 35% as 'Apparel' and 'Hosiery not otherwise specified' under item 238-G whereas the intention of the Government was that such goods were to be made liable to a higher rate of duty.

In this connection we beg to invite a reference to the communication, dated Delhi, the 28th February 1934, addressed to you by the "All India Hosiery Manufacturers

Association" and for ready reference, we beg to reproduce below; the last paragraph of page 3 of it, which is as follows:—

> "It may be pointed here that undervests with slight alterations at no extra cost can be made into apparel to evade the Protective duty as will be noticed from samples of undervests with pockets sent herewith. The Customs Department will have considerable difficulty in cases of this sort, in deciding whether a certain article is to be classed as undervest or apparel."

The fears entertained by the Association, have, unfortunately, proved but too true, because since the new duties came in force considerable confusion has prevailed at various ports, as the Appraising Department of Customs at one Port, considers one article as "Undervest" chargeable to a duty of 12 annas per lb. while at another port, the same article is classed as "Apparel" chargeable to 35% duty only.

As is well known to the Government the Hosiery Industry of India has considerably suffered, from the unfair and ruinous competition from Japan, and that the latter country is always alert and very quick to take immediate advantage of any loophole in the Tariff. Government had this aspect of the case well in mind, as can be seen from studying item 158-L which reads:

> "Textile Manufactures, the following articles when made wholly or mainly of any of the fabrics specified in items 158-C to 158-K."

Below this item are then enumerated several articles including shirts (ready made) towels, etc.

It would thus be seen that this item makes provision for preventing 'shirts' passing as 'Apparel' at 35% duty when the cloth from which they are made, is liable to, 50% duty.

Following up the same reasoning, if knitted fabric, under item 158-M, is chargeable to a duty of 12 annas per pound, all apparel made thereof ought to pay the same rate of duty, but the Tariff as at present worded makes no provision of this sort.

When Tariff Board was considering the question of protection to the Hosiery Industry, the case of cotton undervests was presented before it at considerable length as Indian industry was then seriously hit, by imports into India of these goods from Japan, at prices ruinous to the indigenous industry, and evidence and figures in great volume was collected and submitted. A reference to the evidence submitted as well as to the Tariff Board Report and the various articles in the Press would show that the question was one of protection to the "Hosiery Industry" and not "Cotton Undervests." Bearing this in mind the protection granted ought to embrace all goods which come within the category of "Cotton Hosiery." However, for some reason or another, the word "Cotton Undervests" has crept into the Tariff, and the position thus created, threaten to render the protection granted absolutely void, unless the defect is rectified by Government promptly.

It would be seen at once that there is no justificaton, for 35% duty on garments made from cotton knitted fabric, when the latter commodity itself is paying the high rate of duty of 12 annas per pound but this is exactly what has started happening recently contrary to the intention of the Government.

We would give as an instance the case of the article that has recently started arriving from Japan under the Trade Term of "Sport Shirts." The cloth from which these are made is "knitted fabric" and a regular undervest made thereof pays a duty of 12 annas per lb.but the same undervest with a "Tennis Collar" becomes under the present Tariff "Apparel" and pays 35% duty only, resulting in a loss to Government in duty of something like 50%.

We append herewith a statement of these goods landed at Rangoon port alone, during the last 3 months, and we have no doubt that such a change was made, after 23rd December 1933, when a duty of Re. 1-8 per dozen on undervests became effective. The change was made with the deliberate intention of getting the goods passed as "Apparel" at a lower rate of duty and to evade the higher rate. A reference to import statistics would show that imports of these "Sport Shirts" from Jappan upto last year were practically nil while in the short space of 3 months nearly 300 cases have been landed at Rangoon alone. This is because of the favourable rate of duty at which they can be passed.

Further item 158-0 provided for a duty of 12 annas per lb. on "Cotton Undervests" only and there is no provision for "Undervests" made from fabric which is mainly cotton, but with which a small percentage of art silk or other cheap material is mixed. These latter can under the present Tariff, pass at 35% duty as "Hosiery not otherwise specified" under item 238-C. We submit samples representing consignments which have actually arrived from Japan very recently, from which it will be seen how seriously the Indian Hosiery Industry is threatened, by an indiscriminate dumping of such articles. The samples will also give an idea of the change of front adopted by the Japanese Hosiery Manufacturers to evade the minimum specific duties.

The All India Hosiery Manufactureres' Association had presented this aspect of the case to Mr. Hardy of the Central Board of Revenue, submitting at the same time a sumber of samples and had explained how it would be possible for Japanese Manufacturers to render the protection granted by Government totally ineffective and to continue uniterrupted their exports to India of Hosiery goods, with slight alteration in style of making so that the goods can be passed at the lower rate of duty. Mr. Hardy had promised the justice would be done to the Indian manufacturers that where it was found that an article had been deliberately altered to pass at the lower rate of duty as "Apparel", it would not be allowed to so pass Customs, and that full effect will be

given to the intention of the Government, which was, that the protection granted must be "effective." After the new duties coming into force as from the 1st May, we find that nothing of this sort has been done, and if the present defect is not immediately rectified, considerable harm will be done to the indigenous industry by arrivals of large quantities of foreign goods.

It would appear that with a slight addition to the present Tariff, the desired result can be secured, and we beg to submit for consideration of the Government the following suggestion:

After item 158-M might be added a new item reading :

> Knitted fabric made of mixture of cotton and art silk or any other material, where main part of it is cotton— and all apparel, underwear and other hosiery goods made thereof, excluding articles covered by item 238 —
>
> | Foreign | U. K. |
> |---|---|
> | 35% or 12 annas per lb. whichever is higher. | 25 per cent. |

And after item 238-G might be added a new item reading:—

> "Apparel and other Hosiery goods and underwear made of cotton kinitted fabric.
>
> | Foreign | U. K. |
> |---|---|
> | 35% or 12 annas per lb. whichever is higher | 25 per cent. |

With the suggested duties, the condition of a 10% preference for U.K. will also be fulfilled, and the new item will serve the same purpose for cotton hosiery, as item 238-A serves for woollen hosiery. Under item 238-A the duty on foreign woollen hosiery is 35% or 18 annas per lb. whichever is higher, and that on U. K. goods is 25%.

We beg to submit that considering the urgency of the case Government will be pleased to act under the "Safe-guarding of Industries Act" so that the required changes

can be made with a minimum of delay. It has been reported to us by our office in Kobe that orders for various styles of hosiery goods amounting to 8 or 9 lacs of dozens have been placed in Japan by importers in India, for shipment during June-July-August 1934 and the goods ordered are mainly those as will pass either as "Apparel" or as "Hosiery not otherwise specified " at 35% duty. It will therefore be seen how grave the situation is for the Indian industry, if steps are not taken to prevent the goods so ordered entering India at the very low rate of duty of 35% which will seriously affect Government revenue and also the indigenous industry.

When the change suggested in the Tariff is made, we submit that the following conditions will be fulfilled:—

1. The Indian industry will be effectively protected from unfair foreign competition as contemplated by Government.
2. The Indian industry will have a just and fair opportunity of establishing itself on a sound footing without fear of unfair foreign competition.
3. The loss to Government revenue will have been effectively stopped.

We trust that Government will see the urgency of the case and move in the matter promptly and effectively, and thus do full justice to the Indian industry."

APPENDIX 44.

Plea put forward by the Tin-plate Co. of India to the Tariff Board re: increased duty on non-British tin plates.

Letter No. 393, *dated* 19*th February* 1934, *from Chamber, to the Tariff Board.*

The attention of the Committee of this Chamber has been drawn to the plea put forward by the Tin Plate Company of India before the Tariff Board for an increased duty

on non-British tin plates and I am directed to place before the Board their observations in this connection as under :

My Committee have received complaints that if the proposed increased duty on non-British tin plates is levied as suggested by the Tin Plate Co., the same would result in as serious handicap to small concerns recently stated in the country, which are using these articles for installation purposes in their factories, because they would have to pay higher price for Continental tin plates of prime quality. My Committee are further informed that the Managing Agents of the Tin Plate Co. are generally not in a position to supply all the requirements of these small concerns and even when they could the supplies are of second quality plates only. The Tariff Board will no doubt observe from this that any increase in duty on non-British tin plates would affect the development of small industries in the country. My Committee are further informed that as the controlling interests in the Tin Plate Co. is with the Burma Oil Company, complaints have arisen that trading rivals (mostly Indian firms) for the distribution of oil, petrol, etc. are sometimes penalised and handicapped in their operation by the policy of the Tin Plate Co. regarding the supplies of their products to such concerns. My Committee are, therefore, strongly opposed to any such increase in the duty. They hope that the Board will not countenance the suggestion of the Tin Plate Co. in this regard.

APPENDIX 45.

Proposal to prohibit the importation of ghee, eggs, etc., from India into Ceylon.

Letter No. 1186, dated 5th May 1934, from Chamber, to the Government of India, Department of Commerce.

The attention of the Committee of this Chamber has been drawn to a representation addressed to the Hon'ble

the Minister of Agriculture and Lands, Government of Ceylon; by the Indian Mercantile Chamber of Ceylon. A copy of this representation is forwarded herewith for ready reference. It is mentioned in the said representation that the Government of Ceylon contemplate adopting legislative measures to prohibit imports of ghee, eggs, tamarind, ginger and vegetables including plantain, fruits, betel leaves, etc. My Committee will be much obliged if you will be pleased to let them know if the Government of India have got any information with regard to this, and also if there is at present any trade negotiation going on between the Government of Ceylon, specially with regard to any preference being given to copra and cocoaunt oil coming to India from Ceylon.

Copy of letter, dated the 12th April 1934, from the Indian Mercantile Chamber of Ceylon, to the Hon. the Minister of Agriculture and Lands, Colombo.

The attention of my Committee has been drawn that your Ministry contemplates adopting legislative measures to prohibit the importation of ghee, eggs, tamarind, ginger and vegetables including plantain, fruits, betel leaves, etc., from India.

2. I am, therefore, directed by my Committee to take this early opportunity of acquainting your Ministry with the considered views of my Chamber on the proposal of total prohibition of the above food-stuffs. At a meeting of the Committee held on 9th instant, careful consideration was given to this subject from all aspects and it is the opinion of this Chamber that the proposed legislation, if put on the Statute Book, will not only hamper the negotiations now going on with the Government of India regarding the question of securing preference on the exports of Ceylon copra and cocoanut oil to India, but also act as a serious barrier to the growth of cordial inter-commercial relations between the two neighbouring countries.

3. My Committee, while appreciating the object of your Ministry, *viz.*, to give an incentive to the local farming and cultivation by adopting such protectionist measures, is strongly of opinion that this proposal of total prohibition is not likely to bring about any increase in the local growth. Ghee is one of the staple items in the diet of Indians, and practically 90% of the imported ghee is consumed by Indians in Ceylon. This quality of imported ghee is never likely to be manufactured in this island. Also the total annual value of ghee imported in Ceylon being a little over one lac of Rupee is hardly worth worrying about. The Committee of my Chamber, therefore, fails to appreciate the reasons that have prompted your Ministry in proposing an embargo on this much-needed item of food from India. Tamarind is another item of food so universally needed by the entire population of the Island. If a total prohibition is enforced my Chamber feels there would occur a shortage in the article to meet the demand of the island, with the result that the budget of the poor will be very adversely affected, and they will be deprived of the every-day use of this important item in their diet. But apart from this, my Committee also feels that the total prohibition of this article coming from India will increase the import from Java and Malaya, the two countries that are today serious rivals of Ceylon in her export trade of copra.

4. Another point on which my Committee desires to invite your attention is that if a protection for local cultivation and produce is needed, why should imports be shut out from India alone. It would be in the opinion of my Committee very inequitous and unfair to put a ban on the imports from one country, while allowing free and unrestricted imports of the same articles from other contries. If a ban at all is necessary, it should be equitably applied to all countries.

5. My Committee further desires to invite your attention that ever since the imports from India of poultry such as fowls, goats and cows have been prohibited, a great shortage in the supply of mutton has been felt, the prices have

gone up and there has been a large increase in the imports of cold and frozen meat from Australia. These facts, in the opinion of my Committee sufficiently prove the futility of the legislation enacted last year. If the prohibition of imports from India had really given a stimulus to the local breeding and farming as Home industry—as obviously was the objective—there would not have arisen any necessity of making such large imports from Australia, as are revealed in the Customs returns. The recent discussion in the meeting of the Colombo Municipal Council on the stortage of mutton coupled with an increase in prices, further goes to strengthen this view. My Committee, therefore, fears that the proposal now under contemplation of prohibiting imports from India of ghee, eggs, etc., if given legislation effect would mean only repetition of last year's history.

6. My Committee feels confident that in the interests of maintaining cordial inter-commercial relations with India, your Ministry will refrain from putting such legislation on the Government Statute Book. Any indiscriminate prohibition of imports from India at a time when she is by far the best customer of Ceylon copra and oil, will undoubtedly complicate the situation.

APPENDIX 46.

Importation of Cotton piece-goods into Persia.

Letter No. 2635, dated 27th October 1934, from Chamber, to the Government of India, Department of Commerce.

The attention of my Committee has been drawn to the following report in the *Times of India*, dated Monday, the 15th October, from their London correspondent regarding importation of cotton piece-goods into Persia:—

"The Joint Committeee of Cotton Trade Organisations reports that Persia has issued a new list of import quotas for the twelve months ending June 1935; the

quota involving a prohibition of the importation from all countries except Soviet Russia of all cotton goods except sewing thread. In effect, therefore, despite her most-favoured-nation agreement, Persia, in future, will buy cotton goods only from Russia.

A decade ago Lancashire and Indian virtually monopolised an important trade in Persia then running to about 100 millon yards but Russia by 1929 had already gained half the market and in the last couple of years Lancashire and Indian shipments have been down to about 8 to 10 million yards respectively, India also supplying considerable quantities of yarn. Persia, like so many other countries is aiming at ultimate self-sufficiency in terms of cotton goods, and a sum of £ 1,500,000 has been allocated to promote progress in that direction."

My Committee would like to be informed whether Government have any information on this point and, if so, they would request to be furnished with the details thereof.

If the position outlined in the report is correct, it is necessary that some steps should be taken to protect Indian exports of cotton piece-goods to that country. Already this trade has declined in recent years. Whereas in the year 1931-32, India sent to Persia cotton piece-goods over 20 million yards worth about Rs. 47,64,000, in the year 1933-34 the exports came down to nearly 9 million yards and of the value of about 18 lakhs of rupees.

It is, therefore, necessary that Government should take steps to see that the market available in that country for Indian piece-goods is not completely shut out by any arrangements of the character envisaged in the report. My Committee would like to know as to what Government propose to do in the matter.

Letter No. 35-C (5), dated 25th February 1935, from the Government of India, Department of Commerce, to Chamber.

With reference to your letter No. 2635, dated the 27th October 1934, on the above subject, I am directed to state

that the matter is engaging the attention of the Government of India.

APPENDIX 47.

Separate classification of certain articles in the Sea-borne Trade Returns of British India.

Letter No. 1949, *dated 26th July* 1934, *from Chamber, to the Government of India, Department of Commerce.*

I am directed by the Committee of this Chamber to address you in regard to the question of separate classification of certain articles in the Sea-borne Trade Returns of British India, as under:

In May last year, my Committee had addressed the Director General of Commercial Intelligence and Statistics, Calcutta, in regard to the separate classification of Healds, Reeds and Combs and certain qualities under the head "Woollen Piece-goods," Camphor, etc. They regret to inform you that all these suggestions have been turned down by the Director General. My Committee would like to point out that the Commercial Community do not make such suggestions without weighty grounds. The explanations given by the Director General in his reply, a copy of which is enclosed herewith, are, my Committee submit, unconvincing and unsatisfactory. If the commercial statistics are not going to be serviceable to the trade and industry of the country, my Committee fail to understand for what purpose the same are being collected. Further, Government themselves invite suggestions regarding changes in the classification and their object in seeking such suggestions must certainly be to improve the existing collection and dissemination of statistics with a view to render the same more serviceable to the commercial community.

In this connection, my Committee would like to invite your attention to the interview they had with you on the 4th instant in the course of which you were kind enough to assure

them that "you would be prepared to consider the inclusion of any further articles in respect of which a good case had been made out".

In view of all this, my Committee hope that Government will be pleased to issue instructions for a re-examination of the question with a view to the suggestions made by them being accepted, and particularly those with regard to Healds, Reeds and Combs, worsted yarns and camphor.

APPENDIX 48.

Publication of Customs Statistics.

Letter No. 3063, *dated* 15*th December* 1934, *from Chamber, to the Central Board of Revenue.*

I am directed by the Committee of this Chamber to address you on the question of the publication of information relating to daily imports to and exports from the Port of Bombay. The Customs authorities at Calcutta, Rangoon and Madras publish officially daily lists of exports and imports, giving particulars of commodities imported and exported, their quantities and values, name of consignees and of consinors, etc. But in Bombay no such official list is published. All the ports of Customs are under the Administrative control of the Central Government, and it is necessary that the practice and procedure in regard to such matters should be uniform at all the Ports. My Committee, therefore, suggest that the Central Board of Revenue should instruct the Bombay Customs authorities to issue daily returns, similar to those issued at the Ports of Calcutta, Madras and Rangoon, of shipping movement relating to the Bombay Port.

My Committee are aware that the Bombay Chamber of Commerce is publishing daily manifests of imports and exports. Perhaps, for this reason, the Customs authorities have not thought it necessary to publish official returns. They, however, feel that such private publication is no justi-

fication for the authorities not following up the practice prevailing in the other major Ports and publishing their own official lists.

Moreover, the rates of subscription charged by the Bombay Chamber for the returns containing shipping intelligence are very high : whereas the combined export and import lists for Madras costs only Rs. 90 per annum and the daily list of Calcutta only Rs. 100 per annum, the daily trade return published by the Bombay Chamber costs Rs. 320 per annum, plus postage. The high rate of subscription make these returns a costly luxury for the Bombay traders. Again, particulars in regard to the value of the consignments are not given in the Bombay returns.

A work which has to be done by the Customs Department and which is done by the Department of other Ports should not be left to a Chamber of Commerce in Bombay.

For the above reasons, my Committee are of opinion that the Customs Authorities in Bombay should undertake to publish officially daily returns of shipping intelligence. All these statistics even now have to be compiled by the Customs authorities for their official requirements, and the extra expenditure that may be involved in the preparation and printing of daily returns could, perhaps, be compensated from the income by the sale of these publications. There has always been a complaint regarding the paucity of official publications, containing statistics relating to trade and my Committee hope that their above suggestion, which is only intended to bring the practice in line with that obtaining at the other Ports will be accepted by Government.

APPENDIX 49.

Import Duty on Foreign Coal.

Letter No. 3090, *dated 22nd December* 1934, *from Chamber, to the Government of India, Department of Commerce.*

The attention of my Committee has been drawn to the resolution passed by the Associated Chambers of Commerce

at their Annual Session held at Calcutta recently, suggesting an increase in the import duty on foreign coal. The coal producing industry is passing through difficult times and having regard to the uneconomic prices at which coal is being sold today, my Committee beg to support strongly the proposal. They suggest that Government should carefully examine the proposal and impose such a level of duty as appears to be called for by the necessities of the case.

APPENDIX 50.

Import Duty on Cut-pieces of Copra.

Letter No. 2450, *dated 28th September* 1934, *from Chamber, to the Collector of Customs, Bombay.*

The Bombay Malabar Kariana Merchants' Association have forwarded to my Committee copies of correspondence that has passed between them, through their Solicitors, and you, in regard to assessment of Customs duty on copra under Section 34 of the Sea Customs Act. My Committee are of opinion that if the authorities will be good enough to give some indication as to what would constitute deterioration for consignments of copra for being eligible to be treated under Section 34 of the Act, it would very much facilitate submission of such claims in future. They, therefore, request that some description of the deterioration which would come within the meaning of Section 34 of the Act may please be furnished.

Letter No. C 972/34, *dated 22nd October* 1934, *from the Collector of Customs, to the Chamber.*

I have the honour to refer to your letter cited above, and to state that ordinarily it is not difficult to differentiate good copra from deteriorated copra: the latter is badly dried and is usually elastic, shrivelled up, mouldy and rancid.

APPENDIX 51.

Assessment of Customs Duty on diesel oil imported for blending heavy diesel oil.

Letter No. 1691, *dated 5th July* 1934, *from Chamber, to the Government of India, Department of Commerce.*

The attention of my Committee has been drawn to a representation submitted to the Government of India by merchants and importers of mineral oil in connection with the assessment to Customs duty on certain kinds of mineral oil. The said applicants desire that lighter mineral oil, which is being imported to blend the heavier oil, should not be treated as kerosene for the purposes of assessment to Customs duty as the same is not being used as illuminant. They desire the assessment of such oil at lower rate of duty, namely 12½ per cent. They further add that for the purpose of satisfying Customs requirements in preventing oil which has paid a lower rate of duty being again used as illuminant, such lighter mineral oil may be allowed to be kept under bond, and when used for *bona fide* blending purposes, be assessed at the lower rate of duty.

My Committee are in sympathy with the objects of the applicants and strongly support the same. After all Government's objective in increasing the rate of duty on diesel oil last year was only to prevent the loss to Government revenue by the use of such oil as illuminant in the place of kerosene. If the suggestion regarding keeping the oil in bond is accepted, the possibility of such abuses might be got over without penalising the users of mineral oil for *bona fide* purposes with a higher rate of duty. My Committee hope that the Government will be pleased to approve of the above suggestion.

APPENDIX 52.

Hardships and inconvenience to passengers at Viramgam Customs Cordon.

Letter No. 2055, *dated 7th August* 1934, *from Chamber, to the Central Board of Revenue, Simla.*

The attention of the Committee of this Chamber is drawn to complaints regarding hardship and inconvenience experienced by the travelling public, specially by third-class passengers, at Viramgam station consequent upon the re-imposition of the Viramgam Customs Cordon. My Committee are not opposed to the re-imposition of this cordon. What, they, however, want to represent to Government is that passengers of all classes should be treated with uniform courtesy by the Customs authorities at Viramgam and other Cordon Stations. My Committee recognise that while the Cordon is there, certain formalities have to be gone through, but care may well be taken that no passengers, by whatever class they may be travelling, should suffer any inconvenience or harassment. They, therefore, beg to request Government to be pleased to issue necessary orders to the Customs authorities that at the time of inspection of luggage and belongings of passengers, hardship and inconvenience resulting therefrom should be minimised to the utmost possible limit.

APPENDIX 53.

Duty-free entry into India of 'Murray's Vacreator' the newly invented Dairy Machinery.

Letter No. 1045, *dated 21st April* 1934, *from Chamber, to the Government of India, Finance Department.*

The Committee of this Chamber have been approached by Messrs. Polson Manufacturing Company, Bombay, one

of their members, to support their representation to Government regarding duty-free entry into India of "Murray's Vacreator," a newly invented dairy machine.

My Committee have carefully considered this representation and feel that the request of Messrs. Polsons deserves sympathetic consideration at the hands of the Government of India. Government are no doubt aware that the Butter Industry in this country is still in its infancy and, therefore, any assistance that Government can give to the Industry will help its further development. The request of Messrs. Polsons is justified because dairy machinery and appliances are already allowed to be imported free of duty into the country. The new machine under reference has only recently been invented and naturally could not have been included in the free list of duty-free machinery.

My Committee, therefore, hope that Government will be pleased to sympathetically consider the request of Messrs. Polsons and include this new machinery in the duty-free list.

APPENDIX 54.

Exemption from Income-tax Assessment of profits paid to participating policy-holders of Insurance Companies.

Letter No. 973, *dated* 16*th April* 1934, *from Chamber, to the Central Board of Revenue.*

I am directed by the Committee of this Chamber to address the Central Board of Revenue as under in regard to income-tax assessment of such portion of profits as are allocated to participating policy-holders by Insurance Companies.

My Committee are of opinion that the present practice of levying income-tax on the portion of surpluses of Insurance Companies disclosed at any valuation reserved for allocation

to participating policy-holders is neither fair nor in consonance with the practice obtaining in the United Kingdom and other countries. Such surpluses rightly belong to the policy-holders inasmuch as they represent extra paid by them to Insurance Companies in anticipation of certain unforeseen circumstances and unexpected claims. The Central Board of Revenue will no doubt realise that from the very nature of business, Insurance Companies carry on, it is incumbent on them to provide for unforeseen obligations. It is precisely for such unforeseen obligations that certain amount of extras are added to tables of premia from the policy-holders. If at a later stage actual experience showed that such extras were not justified by the anticipated heavier mortality, and other unforeseen circumstances, the Insurance Companies as a general rule return them to the participating policy-holders in the form of business. My Committee submit that it is unfair that such portions of allocated surpluses should be taxed because they do not in any way represent profits on business of the Insurance Companies. In India, the situation is still worse because Indian Insurance Companies have to depend entirely for their business on foreign mortality tables which may not be suitable to Indian conditions. Thus when preparing the tables for premia the Indian Insurance Companies have not before them the actual mortality experiance of tropical climes and they have to make certain assumptions.

The inequities of the situation were realised in England and other countries long before and they have amended their respective Income-tax Acts in such a way as not to tax that portion of bonuses which is allocated to and which vests in policy-holders.

Further, my Committee feel that life insurance in India is yet to progress and that the amount of life insurance per capita compared to other civilised countries is very small. The Income-tax as charges today on the bonuses distributed to policy-holders is really a tax not on the companies or their shareholders, but is a tax on poor policy-holders of India.

The policy-holders in a life assurance company are just like members of a co-operative socity. It is unfair that they should have to pay any Income-tax on the surpluses which are, obtained out of their own contributions. Just as co-operative societies are exempt from Income-tax, policy-holders also should be exempt from Income-tax on the bonuses allocated to their policies.

My Committee, therefore, urge that the Indian Income-tax Act be also amended, on the lines of English Act in this respect,in such a way as not to tax portion of surpluses allocated to participating policy-holders.

Letter No. D. A. Dis. No. 334-I. T./34, *dated 17th May* 1934, *from the Central Board of Revenue, to Chamber.*

With reference to your letter No. 973, dated the 16th April 1934, I am directed to inform you that the matter has been already very carefully considered by the Government of India and it has been decided not to amend the Indian Income-tax Act on the lines suggested in your letter.

APPENDIX 55.

Difficulties arising out of the imposition of Excise duty on matches and notifications thereunder.

Letter No. 1990, *dated 2nd August* 1934, *from Chamber, to the Government of India, Finance Department (Central Revenues).*

The attention of the Committee of this Chamber has been drawn to the serious difficulties experienced by Indian match manufacturers arising out of the Government Notifications, dated 16th and 30th June 1934, under the Match Excise Duty Act, 1934, and I am directed by them to address Government in the matter as under;

The first notification says that "after 1st October 1934 no matches shall be sold or offered or kept for sale in British India except in packets, boxes or booklets bearing a banderol...". My Committee would like in this connection, to point out that at present in Bombay the stock of matches manufactured before 1st April 1934, is about 30, 000 cases of 50 gross each. These stocks are so large that it is impossible to clear them out before the 1st October. Government are not, perhaps, aware that matches are sent in large quantities from this part of the country to ports in the Western Coast by sailing vessels and country crafts, which do not ply during the monsoon. The demand, therefore, from these ports for matches will only arise towards the end of September, and the last date fixed by Government for the disposal of the existing stock is 1st of October. It is thus impossible to send any stock of matches to these large markets on the West Coast before the date fixed by Government. Another serious difficulty that has arisen on account of the notification under reference is that merchants in these ports and other districts are afraid of purchasing matches in any large quantity as they know that on any stock of matches left over on the 1st October they would be called upon to pay Excise Duty on the same. My Committee, therefore, suggest that the time limit fixed by Government, *viz* : 1st October 1934 for disposing of the present stock should be extended till the 31st December.

Anther grievance which, my Committee are afraid, Government do not appear to have considered is in respect of matches that have been manufactured after the imposition of the Excise Duty and under the supervision of the Excise authorities. There is considerable apprehension amongst manufacturers that the effect of the Notification, dated 16th June, would be that these matches will also be liable to payment of Excise duty second time on such of the unsold stocks after the 1st October, even though the Excise duty had already been paid in cash on the same. My Committee feel that such a situation is one which calls for immediate adjustment,and they trust that Government would be pleased to pass necessary orders to prevent that contingency.

The Notification, dated 30th June 1934, says that "after 15th July 1934, no matches manufactured after the 30th June 1934, shall be issued from manufactories in British India except in boxes, packets or booklets bearing banderols.... This arrangement, my Committee feel, would involve locking up of funds in advance and is calculated to penalise all small manufacturers, which is hardly justified. They, therefore suggest that unless the system is abused and unless Government have reasons to abandon the same at a later date, *banderols* should be issued to factory owners according to their requirements, and charges therefore shoud be collected from them when manufactured products are issued from the precincts of the factories. In the opinion of my Committee, this would be the only method of carrying out the original intention of the Act, and at the same time allaying legitimate fears of the manufacturers.

In view of the serious difficulties pointed out above arising out of the two Notifications, my Committee trust that Government would be pleased to give effect to the suggestions made by them in this representation.

APPENDIX 56.

Bill to provide for the imposition of an excise duty on Mechanical lighters.

Letter No. 1546, *dated* 19*th June* 1934, *from Chamber, to the Director of Industries, Bombay.*

With further reference to your letter* No. 1C 242-5082, dated 2nd June 1934, my Committee have considered the Bill* to provide for the imposition and collection of an excise duty on Mechanical Lighters. They feel that there is no jusification for the imposition of an excise duty on the manufacture of such Lighters. Even on Government's own admission there is not as yet in the country any established industry for the manufacture of these Lighters. There is, therefore, no justification for presuming that Government revenue will be affected by the development of such an industry and for forestalling the same by the imposition of an excise duty.

* Not published, will be found in file No. R 33 of 1934.

My Committee are also opposed to excise duty on principle, as they consider it is detrimental to industries. The proposed legislation, if accepted, will prevent the initiation and development of this industry. My Committee are, therefore, strongly opposed to the proposal for the excise duty.

My Committee fear that owing to the imposition of a heavy duty on matches and also excise duty on the same, there would be a great increase in the import of mechanical lighters. This danger can be averted by the imposition, as proposed in the Bill, of a higher import duty on mechanical lighters. My Committee are, therefore, of opinion that Government should confine themselves, for the present, to the proposal for an import duty and abandon the proposal for an excise duty.

You will no doubt bear the above views of my Committee in mind while sending your reply to Government.

APPENDIX 57

Bill to provide for the imposition of a consumption duty on cotton

Letter No. 1608, *dated 27th June* 1934, *from Chamber, to the Government of India, Department of Commerce.*

I am directed by my Committee to send to you hereby their views on the above Bill. While welcoming the object for which the duty is being imposed, my Committee would like to make it clear that care should be taken not to penalise existing stocks with *bona fide* users on which they have already paid an import duty. It is, therefore, desirable to call for stock statements prior to the commencement of the operation of this legislation and give sufficient notice to all parties; unless Government can see their way to secure the refund of duties paid in ports not in British India.

The Committee feel that the business community will have to say something regarding the rules under the Act, when they are published. They beg, therefore, to suggest that the rules should be sent round to commercial organisations for their opinion before they are finally accepted.

APPENDIX 58

Procedure for the despatch of goods intended for Afghanistan.

Letter No. C. 1110/34, *dated 8th October* 1934, *from The Collector of Customs, Bombay to Chamber.*

I have the honour to state that under the existing procedure trade goods intended for despatch to Afghanistan are wired and sealed after necessary examination and identification and are then made over to the exporters for despatch (under cover of the prescribed invoices duly completed by this department), at any subsequent date. The Government of India propose to revise this system under which goods passed at the ports for rebate can remain for months in the merchants' godown. The procedure contemplated by them is that inland bonded warehouses should be provided in the Frontier towns to which goods could be railed from the ports under bond and from which they could be delivered on payment of duty for consumption in India or for transport to Afghanistan on payment of a deposit to be returned as soon as the certificate of the Border Examiner is returned to the Frontier Customs Officer. The adoption of this system will imply that in lieu of the present system merchants would have the choice of (a) forwarding their goods direct from the transit sheds to Frontier railhead town (i) on payment of duty for direct transmission to Afghanistan, the goods being despatched under Customs supervision and the railway invoices being forwarded to the Frontier Customs Officers concerned, or

(ii) under bond to an Inland Bonded warehouse in the frontier town,

or (b) within 2 years of import, bringing their goods to the Custom House for identification, sealing and despatch for direct transmission as in (a) (i) above.

2. As I am desired by the Government of India to consult local commercial opinion on this proposal, I would request you to communicate the proposal to the members of your Chamber interested in the matter and furnish me with their views as early as possible for communication to the Government of India.

Letter No. 2593, *dated 20th October* 1934, *from Chamber, to the Collector of Customs.*

I am directed to acknowledge receipt of your letter No. 1110/34, dated 8th October 1934, and in reply to say that the proposal to provide inland bonded warehouses in Frontier towns for the custody in bond of goods intended for transmission to Afghanistan will not, from the point of view of merchants, be feasible or convenient. My Committee would, instead, suggest that for goods which are not forwarded direct from the transit sheds to Frontier railhead town, arrangement should be made for custody in bonded warehouses at the port of import, from which it could be, at any subsequent date, despatched to Afghanistan or sold locally after payment of the duty. Such a procedure would meet the object Government have in view and ensure against any evasion of duty. In fact, the only difference between the procedure under reference and that suggested by myCommittee is in regard to the provision for custody in bond at the ports of import.

My Committee hope that the Government of India will be pleased to accept their alternative suggestion.

APPENDIX 59

The Bombay Municipal Act Amending Bill re : Assessment of Water Tax.

Letter No. 1429, *dated* 31*st May* 1934, *from Chamber, to the Government of Bombay, General Department.*

The attention of my Committee has been drawn to the Bill published in the Bombay Government Gazette dated the 12th March 1934 to amend the City of Bombay Municipal Act. The Bill, among other things, seeks to amend the provisions of the Act in regard to assessment of Water Tax.

My Committee do not propose at this stage to enter into a detailed examination of these provisions. They would, however, like to point out that as the Bill contemplates serious and material changes in the rates of, and the manner of assessment to, water tax, it is but fair that a suitable opportunity should be given to all interests likely to be affected by the change, to examine the provisions carefully and in consultation to express their opinion on the same.

In this connection my Committee have seen a copy of the representation submitteed by the Bombay Millowners' Association urging the appoint of a Committee, representing all interests, to go into the matter.

My Committee strongly support their suggestion and would urge upon Government not to hurry up with the present Bill. If and when such a Committee is appointed, this Chamber would desire to be represented on the same.

My Committee hope that Government would be pleased to accept this procedure and would not insist on pursuing with the Bill in its present form.

APPENDIX 60

Reimposition of tolls in the Bombay Presidency.

Letter No. 558, *dated 7th March* 1934, *from Chamber, to the Government of Bombay, Revenue Department.*

I am directed by the Committee of this Chamber to address Government in regard to the re-imposition of tolls in the Bombay Presidency last year.

In the first place, my Committee would like to draw the attention of Government to the recent Press report that the Government of India had turned down the proposal of the Bombay Municipality to levy a terminal tax on passengers as they were of opinion that any such duties would impede the free flow of trade and traffic. My Committee beg to submit that the tolls that were re-imposed in the Bombay Presidency last year, after the lapse of 8 years, are in the nature of such imposts and have great detrimental effects on the trade and traffic not only of the City of Bombay but the whole of the Presidency. Last year when Government fixed the schedule of rates of tolls levied in the various Divisions of the Presidency on all sorts of vehicles whether mechanically propelled, animal drawn, or packed transport, there was considerable opposition from various quarters to the the same. The main reason advanced by Government was that on account of financial stringency fresh sources of revenue had got to be explored. My Committee regret to observe that the policy adopted by Government in re-imposing these tolls has affected adversely not only the traffic, but also the agricultural population in outlying districts of the Presidency. Government are no doubt aware that during the last two years, the fall in prices of agricultural commodities has been much more precipitous and catastrophic than in those of any other commodities which has worsened the already depressed condition of the agricultural population of the Presidency. As it is the marketing facilities and the means of communication in the interior parts of the Presidency are few and far between and the agriculturist has to

defray considerable expenditure for marketing his produce from his field at the nearest railway head or market place. He has to travel a good deal of distance to reach the nearest railway head or market place. There is either a Government toll or a Local Board toll at every 10 miles among this distance, which means that the agriculturist has to pay in tolls something about Re. 1/- per bullock-cart to obtain anything from the railway head and another Re. 1/- for selling the produce at the nearest railway head or market place. This additional expenditure is undoubtedly a great burden to the agriculturist, particularly in the present depressed times.

The attention of my Committee has been drawn to the Notification issued on the 27th February 1934 by Government introducing a uniform schedule of rates of tolls for the financial year 1934-35. The revised schedule shows some improvement in the rates, because there has been a general reduction though slight in the various tolls.

My Committee, however, are strongly opposed, in principle, to the imposition of any road tolls, whether on bullock-carts or any other mechanically propelled vehicles. My Committee trust that Government even now will recognise the great burden that has been placed on the trade and traffic of the Presidency in general and in particular on the agriculturists by these tolls, and remove the same, thus affording the much-needed relief to them.

Letter No. 2364/27 W, dated 21st May 1934, from the Government of Bombay, P. W. Department to Chamber.

"With reference to your letter No. 558, dated the 7th March 1934 with regard to the reimposition of tolls in the Bombay Presidency. I am directed by the Government of Bombay (Transferred Departments) to inform you that the question of substituting a provincial tax for the toll tax on motors and all mechanically propelled vehicles in general is already under the consideration of Government. As regards general hardships to agriculturists, I am to point out

that according to the existing orders, at the discretion of the Collector of the District concerned, cultivators, wood cutters, grass cutters and the like who have daily or constantly to pass toll bars on their way to their several occupations are already exempt from the operation of the tax, and that under this ruling a cultivator's cart carrying manure, produce of his field, and his agricultural implements are similarly exempt from the payment of toll.

2. With a view to giving some relief to the traffic and securing uniformity through-out the Presidency, Government have this year introduced a schedule of uniform rates of tolls and have also abolished minor tolls yielding a revenue of less than Rs. 500 each but in the present state of their finances thay are unable to accede to your request to abolish the toll tax entirely."

APPENDIX 61

Refund of Town Duty on Sugar Candy.

Letter No. 815, *dated 28th March* 1934, *from Chamber to The Bombay Municipality.*

The attention of the Committee of this Chamber has been drawn to a representation recently made by the Sugar Candy Association of Bo bay to the Bombay Municipality in regard to refund of Town Duty on sugar candy manufactured locally, not meant for local consumption and despatched out of Bombay.

My Committee, on a careful consideration of the said representation, recognise the genuine grievance of the Association in this matter. The Bombay Municipality is allowing refund of Town Duty on foreign sugar candy not meant for local consumption and despatched outside Bombay, while sugar candy locally manufactured and exported out of Bombay does not get the benefit of this refund. This position has had a detrimental effect on the local industry which is experi-

encing severe foreign competition. My Committee understand that as a result a number of sugar candy factories have been obliged to close down or have removed themselves outside Bombay. My Committee submit that sugar candy is nothing but sugar in a slightly different form ; and sugar exported out of Bombay gets the benefit of refund of the Town Duty.

There may be some technical difficulty in treating sugar candy on the same basis as sugar. My Committee however submit that the case of sugar candy requires sympathetic consideration at the hands of the Bombay Municipality, particularly in view of the fact that the local industry suffers from severe foreign competition, and the foreign article obtains the benefit of refund of Town Duty, which is denied to the former. My Committee are of opinion that the technical difficulty can very well be got over by having the necessary amendments made in the Town Duty Refund regulations. This technical difficulty need not be allowed to stand in the way of according equal treatment to the indigenous sugar candy.

My Committee trust that the Bombay Municipality will be pleased to take up this matter without any further delay.

III.— TRADE AND INDUSTRIAL LEGISLATION.

APPENDIX 62.

REGISTRATION OF TRADE MARKS.

Letter No. 2492, dated 4th Oct. 1934, from Chamber, to the Government of India, Commerce Department.

I am directed by the Committee of this Chamber to address you regarding the need for the introduction of legislation for the registration of Trade Marks in India. This is a question on which representations have been addressed to Government from various quarters, and at a time when Government are considering the revision of Company and Insurance legislation, attention must also be given to the question of legislation regarding protection of industrial property.

In the year 1928, when on a reference from the Hon'ble the Chief Justice and Judges of the Bombay High Court, the local Government had invited the views of my Committee on the need for the introduction of Trade Marks legislation in the country, they had strongly supported the proposal for such an enactment. Subsequently, this question was the subject matter of some correspondence between the Federation of Indian Chambers of Commerce and Industry and the Government of India, and the former had in their letter No. 1388 dated 11th December 1930 submitted to Government a strong case for a re-examination of this question with a view to suitable legislation being put on the Statute-book.

The letter from the Federation dealt in detail with the disabilities entailed by the absence of such legislation and also the consequent international complications. Specific instances of hardship in these directions have already been placed before Government and it is not necessary to repeat them here.

Moreover, the danger of merchants and industrialists inadvertently infringing existing trade marks, and thereby being called upon to face legal action for compensation and damages is present in the existing position and the attention of Government has already been drawn to a recent case in which the Swastik Oil Mills, Ltd.. members of this Chamber were called upon to answer a charge of infringement and had to plead ignorance in defence.

Government had in 1929 taken up the position that commercial opinion on this question was divided and was even on the balance against the proposal. My Committee wish to point out that so far as Indian commercial opinion is concerned, the demand had been practically unanimous. My Committee will, therefore, urge upon Government the need for immediate legislation in this matter, incidentally enabling India to be a party to the International Convention for the protection of Industrial property.

APPENDIX 63.

Rules under the Bombay Prevention of Adulteration Act.

Letter No. 9804-A, dated 11th August 1934, from Government of Bombay, General Department, to Chamber through Kapilram H. Vakil.

I am directed by the Government of Bombay (Transferred Department) to forward, for your information a copy of a brief statement (not reproduced — Refer file R. 73 of 1934) regarding a conference convened by the Director of public Health for the Government of Bombay, at the instance of Government, to consider the question, of the adulteration of food with particualr reference to the amendment of the Bombay Prevention of Adulteration Act, 1925, and to the determination of standards of purity of ghee and butter, and of a statement of draft amendments to the Act and Rules issued thereunder prepared by the —Director of Public Health in the light of the recommendations of the Conference.

Letter No. 2465, dated 3rd October 1934, from Chamber, to Government of Bombay.

I am directed to refer to your letter No. 9804-A, dated the 11th August 1934, and in reply to communicate to you hereby the views of my Committee on the proposed amendments to the Bombay Prevention of Adulteration Act, 1925, and the rules thereunder.

My Committee are in general agreement with the various suggestions contained in the statement under reference. They do not on this occasion wish to enter into a detailed examination of the proposals as their views on the subject have been placed before Government on more occasions than one. Particularly they had in their letter No. 8217 dated 17th August last year on the subject of standards for Butter and Ghee stated succinctly and in detail the case for adequate legislation ensuring a reasonable standard of purity for articles of foods like butter and ghee.

They note that the present provisions are based mainly on the recommendations of the Conference, which was convened during the year under the auspices of Government. They, however, regret to find that the two important recommendations contained in the Minute of dissent to the Reports of the Sub-Committees appointed by the said Conference have not been embodied in the proposals and to that extent, therefore the same are incomplete and open to controversy.

My Committee will deal with the second recommendation in the Minute of dissent first. Under Rule 5(2) of the proposed rules, Ghee which at 40° C. has a Butyro-refractometer reading of less than 40 or more than 44.5; or a Reichert Wollny value of less than 19 as ascertained in accordance with the standard practice, will be presumed, until the contrary is proved, to be not of the nature and quality it purports to be. They are referring in a later paragraph to the figure at which the R. W. value should be fixed for the purpose of the standard necessary, but would here contend

that the article should conform to both the tests, viz. Butyro-refractometer reading and R. W. value, and not to one of the alternative tests.

My Committee are emphatically of the opinion that a R. W. value of 19 will be very low, as a standard for Ghee. Their views on this point are given in detail in page 6 of the representation of the 17th Auguest 1933. They had then suggested the figure of 25 for this standard. Even on Government's own admission, the proposed figure is very low. The standards obtaining in some of the other Presidencies are much higher. The Army specification requires a value of not less than 28 and the Bengal Government have fixed 24, 30 and 28 as the figures for cow's Buffaloe's and mixed ghee, respectively.

The research work on the subject carried out at the Benares University has indicated that the average R.W. value of ghee from various sources is 29 and on Government's own admission, this value of ghee sold in this Presidency, in the majority of cases, is well over 24. Fixing the standard at such a low figure as 19 would, therefore, inevitably lead to heavy adulteration of the genuine article with animal and vegetable fats, and thus by defeating the very purpose of the Act, it would make it impossible for the public to obtain supplies of genuine ghee of a high standard of purity.

My Committee are, therefore, inclined to think that the proposed legislation, by fixing the low standard of R. W. value 19, would be creating undesirable conditions in the trade and would encourage fraud in an uncontrolled form.

My Committee would, therefore, suggest that in order to protect the public from fraud and to assure it of a pure article of food made available under the proposed legislation, the R. W. value should not be lower than 24.

My Committee are also opposed to the provision in Rule 8 insofar as it relates to the admixture of vegetable products with pure butter or ghee. On Government's own admission, a majority of the Conference, which considered

these Rules, were opposed to such admixture of butter fat with vegetable oil or animal fat. If such a provision is accepted, it will lead to various malpractices and would, therefore, provide a loophole for the object of these rules being defeated. It has been pointed out to Government from various quarterts that the existence of such mixed products will facilitate retailers palming off mixed fat products with a higher percentage of foreign matter as genuine ghee. In regard to the sale of imported margarine with 10 per cent butter mixture, my Committee understand that they are always sold in sealed tins and never in retail. If it is not intended to prohibit the sale of such Indian margarine in retail, it would be inadvisable to legalise the mixture of vegetable products with any percentage of butter or ghee. My Committee therefore are opposed to the provision in regard to 10 per cent mixing of pure butter or ghee with vegetable or other hardened fat products.

Subject to the above reservations, my Committee are in general agreement with the proposal under reference.

APPENDIX 64.

Rules under the Sugar Industry Protection Act.

Letter No. 55-A/33, dated 18th April 1934, from the Government of Bombay, Revenue Department to Chamber.

I am directed by the Government of Bombay (Transferred Deapartments) to forward a copy of the letter from the Secretary, Imperial Council of Agricultural Research, No. F. 359-33-Agri., dated 17th February 1934 and of its accompaniments (Not reproduced—Refer file R. 34 of 1934) and to request that the Government of Bombay may be favoured with the views of the Chamber on the draft rules under section 5 of the Sugar Industry (Protection) Act, 1932 as soon as possible.

Letter No. F359/33-Agri, dated 17th February 1934, from the Imperial Council of Agricultural Research, to the Government of Bombay,

I am directed to invite a reference to Section 5 of the Sugar Industry (Protection) Act, 1932, which empowers the Governor-General in Council to make rules requiring the owners of sugar factories in British India to make such returns relating to the production of sugar in their factories as he may consider to be desirable.

2. I am to enclose a set of draft rules together with an explanatory note in which is set out the scope and object of the rules. As explained in the latter the rules and the returns prescribed are designed both to ensure that the Government of India obtain the information necessary to watch the progress of this recently protected industry and to provide the Sugar Technologist to the Imperial Council of Agricultural Research with that information concerning the working of Indian sugar factories which is essential to his work. It may be observed that the Tariff Board in paragraph 100 of their report emphasised the importance of such returns, the need for which was pointed out by the Indian Sugar Committee, 1920 (Report paragraph 17).

3. It should be added that the technical data included in the fortnightly and annual manufacturing returns, though at first sight elaborate, are in fact less detailed than the mutual control returns already maintained and exchanged by many modern sugar factories in India. Provision has been made to ensure that the date relating to individual factories shall not be disclosed but it is of interest to note that in other sugar manufacturing countries, factories publish similar details without hesitation. The proposals embodied in these rules were considered at two meetings of the Sugar Committee of the Imperial Council of Agricultural Research. On both occasions sugar manufacturers were well represented and the Committee was definitely of opinion that the proposed returns are reasonable and should be made compulsory in order that an efficient modern industry may be built up.

4. The draft rules also include simplified returns for **Khandsari** and other small factories employing the open-pan method of sugar-boiling. In view of the considerations set out in paragraph 80 of the report of the Tariff Board it is obviously necessary to obtain regular information regarding the position of the indigenous sugar industry throughout the period of protection.

5. Before the draft rules are finally adopted, the Government of India will be glad to be favoured with the views of the Government of Bombay thereon at as early a date as may be convenient to the local Government.

Letter No. 1539, *dated* 19*th June* 1934, *from Chamber, to Government of Bombay.*

With further reference to your letter No. 55-A/33 dated the 18th April 1934, I am directed to send to you herewith the views of my Committee on the draft rules under the sugar Industry Protection Act.

Under Section 5 of the Sugar Industry Protection Act, the Governor-General in Council is empowered to make rules requiring the owners of sugar factorise to make certain returns relating to the production of sugar in their factories and to prescribe the forms of such returns. The main object of calling for information contemplated under this section is that the Imperial Council of Agricultural Research should be kept fully aware of the progress of the industry. My Committee fear that some of the returns called for under the rules and the forms prescribed are too elaborate, and venture to suggest, are unnecessary to fulfil this object.

Information regarding costs cannot be disclosed by any factory even though it may be presumed that such information will be treated as strictly confidential. It is possible that the same, if given, may leak out. With the keen competition which will be a special feature in this industry in the near future, any chance of such information being available to rivals in trade will be a great handicap. Instead of the elaborate and detailed returns, a simple form

giving certain heads for the production of sugar will serve the purpose of Section 5 and fulfil the objective of paragraphs 100 and 101 of the Tariff Board Report.

Coming to the Rules, my Committee see no reason why detailed specifications of the entire plant should be furnished. The same will not be of material value to the Agricultural Research Institute,and my Committee suggest that Government should not insist upon this being furnished.

As regards Rule 5 and its schedule there should be only one forecast and not three as provided for. The forecast form should be quite simple giving the date of commencement, date of completion,number of working days as also the estimated cane to be crushed and the estimated production of sugar. All other heading in this form should be dropped.

Form D (i) is highly objectionable. There is no need for submission of fortnightly manufacturing reports as a final report after the season has to be submitted. Various details under the form are unnecessary and difficult to supply. The monthly report of sugar cane crushed and sugar produced is sufficient for the purpose.

As reagrds the final report, Form, E (i) should not be so elaborate. It should merely give the cane crushed and the sugar produced and the average recovery, as also the byproducts. Stores consumed need not be specified. Analysis may be given. There is no necessity for giving the sucrose account of cane and juice. Efficiency may be given. Dates of starting and closing may also be given. The rest of the headings in the form should be omitted.

Form F (i) calling for cost of production is also strongly objected to. The question of cost of production is a business secret and should not be divulged on any account. The intention of Section 5 of the Sugar Industry Protection Act is not that business or trade secrets should be divulged even to Government. Government might, at the most, ask for the cost of cane and all other details referred to in the Form should be omitted,

Regarding Form G (i) the statement of weekly p... and stocks need not be so very elaborate. A simple form giving the average prices as realised by the producers may be called for. The question of stocks as well as sales, both ready and forward, should on no account be asked for.

Government are concerned with the total production and that is given in the annual manufacturing report.

My Committee are of opinion that the draft rules and the forms thereunder require material revision and would urge that the above suggestions may be accepted.

APPENDIX 65.

Central Body for registering Copyright of Songs.

Letter No. 2819, *dated 8th November* 1933, *from Chamber, to Government of India, Commerce Department.*

I am directed by the Committee of this Chamber to address Government in regard to the grievance of manufacturers of Gramophone discs and records in India in the matter of copyright of songs.

The Indian Copyright Act, 1914, Section 19 (2) (b) states that copyright of records can be obtained by any manufacturer by giving due notice to the owner of the copyright and paying the prescribed fee under the Act. While the Act makes such a provision, there is no recognised body or bodies in the country registering copyright for songs, as in England and other countries and in the absence of such a provision in the Act it is obviously difficult for the manufacturers of records to know about copyrights of songs recorded in the country. It is therefore, necessary that a central Body should be created in India to regulate registration of copyrights of songs, etc. My Committee request the Government of India to be pleased to take early steps in this direction and thus remove the grievance of Indian manufacturers of Gramophone records.

Letter No. A 231, dated 15th January 1934, from Government of India, Department of Industries and Labour to Chamber.

With reference to your letter No. 2819, dated the 8th November 1933 on the above subject, I am directed to say that the registration of copyright was abolished at the time of the enactment of the British Copyright Act, 1911, and is no longer in force in England. While the Government of India recognize that there may occasionally be some difficulty in ascertaining the owner of copyright in a song, they do not think that this is sufficient to justify the expense of setting up a system of registration and the consequent trouble to all owners of copyright in music in India. The Government of India are therefore unable to accept the suggestion made in your letter.

Letter No. 782, dated 17th April 1934, from Chamber, to Government of India, Commerce Department.

I am directed to acknowledge receipt of your letter No. A. 231, dated the 15th January 1934, and in reply to say as under:—

The point with which the Committee of this Chamber was concerned in addressing Government on this subject was not the desirability of creating registration for songs for which Government have no machinery at present, and which machinery, in their opinion, would be too costly to be set up under the present conditions. What my Committee desired was that *bona fide* use of well-known popular songs, whether such popularity arose out their use in theatres, in popular gatherings, on gramophone plates or in any other mannner or in several of these methods combined, should not lead to the victimisation of innocent parties by people who claim copyright in such songs.

The issue has arisen in regard to copyright in songs claimed by certain parties with reference to gramophone records thereof. In this connection my Committee urge

that the Government of India should determine that where a party has copyright in a song which is recorded and where a catalogue of such records is published the obligation to declare that the copyright in the songs concerned belongs to the party should be imposed so that those particular songs should be marked in the margin in abbreviated letters saying that such a copyright exists. Where no record is made and a party claims to have copyright, other party using the same for making a record should not be held liable except after he has received a notice of the existence of such a copyright and without prejudice to the outlay made by him in records already produced.

My Committee would like to draw the attention of Government regarding what happended in the United Kingdom at the time of the enactment of British Copyright Act, 1911, when registration of copyright was abolished. Associations such as Associated Copyright, Ltd., London B. F. Feldman and Co., Chappell and Co., Ltd., Francis Day & Hunter , Ltd., etc., for safeguarding the interests of composers had come into existence and they were and are very watchful and zealous to collect royalities. The whole organisation of the trade in the whole of the United Kingdom in the matter of copyright in songs is run in this manner and therefore it causes no occasion for victimisation of innocent parties. Whereas in India, if unchecked, the existing provisions of the Copy Right Act would lead to needless victimisation and cornering of parties who never intended to take unto themselves benefit of songs in which copyright was held by other people. Until such voluntary association arise in the country, my Committee would like to know what Government propose to do in order to take away from the administration of the Copyright Act the harshness and the injustice to innocent parties under the present circumstances.

In this connection my Committee suggest that the present Copyright Act should be amended by inserting therein a provision to the effect that where a party claims a copyright in a song which is recorded and where a catalogue of such records is published, he should be obliged to insert his

claim to the copyright in the margin of such catalogue in abbreviated letters stating that such a copyright exists. They recognise that the matter is complicated, but would be grateful if Government will give due consideration thereto and take steps to ensure that innocent persons who make gramophone records from what they believe to be popular songs are not victimised by persons claiming copyright in such songs.

My Committee would be also glad to know if in the present circumstances it is not advisable that the Indian Copyright Act of 1914 should be amended on the lines suggested above. My Committee believe that under the old Indian Copyright Act of 1847 a Book of Registry was kept in the office of the Secretary to the Government of India, Home Department, and persons claiming copyright were entitled to register the same in the said Book of Entry on payment of a sum of Rs. 2/- and the said Book of Entry was made available for inspection to the public. My Committee do not see any reason why under the present Copyright Act such a Book of Entry should not be kept to enable persons to register their copyright in any work of literary art including songs.

Letter No. A 231, dated 16th July 1934, from Government of India, Department of Industries and Labours, to Chamber

I am directed to refer to your letter No. 982, dated the 17th of April 1934, addressed to the Secretary to the Government of India, Department of Commerce, on the above subject.

2. The Indian Merchants' Chamber in the above letter propose the amendment of the Indian Copyright Act in such a way as (1) to re-introduce a system of registration of copyrights similar to that provided by section 3 of the repealed Indian Copyright Act of 1847 and (2) to lay upon a person who claims copyright the onus of securing his rights by giving notice of them in published catalogues and taking action when he considers that his copyright is being infringed.

3. The proposals made by the Indian Merchants' Chamber involve the complete reversal of the present system which the Government of India believe to be working satisfactorily. Your letter under reply does not state what practical difficulties the makers of gramophone records have experienced. But it is possible that they have arisen from an inadequate appreciation of the provision of the Indian Copyright Act of 1914. Under section 19(2) (b) of the First Schedule to the Act read with Regulations 7 and 8 of the Indian Copyrights Regulations of 1914 the two methods of ascertaining whether a copyright exists are by notice to the owner of the copyright if his name and address are known or can with reasonable diligence be ascertained or otherwise by advertisement in the Gazette of India and in two newspapers published in British India. In the case of a published work it should easily be possible to trace the author of a song from the Catalogue of Books maintained under section 18 of the Press and Registration of Books Act, 1867, read with section 1 thereof. In the case of most unpublished works advertisement in the manner prescribed by Regulation 8 should be an adequate protection.

4. For the reason given the Government of India are unable to consider the undertaking of legislation to give effect to the proposals of the Indian Merchants' Chamber.

APPENDIX 66.

Importation of Petrol to British India Via Port Okha.

Letter No. 1991, *dated 2nd Aug.* 1934 *from Chamber to Government of Bombay, Political and Reforms Department.*

The attention of the Committee of this Chamber has been drawn to a representation made by the Bombay Port Trust to the Government of Bombay in regard to the above subject, and I am directed to submit their views thereon as under:

My Committee have carefully considered the various important issues raised in the said representation arising out of the proposed amendment of the Petroleum Rules regarding importation of petroleum into British India from Port Okha by rail through the land customs stations on the Viramgam Customs Line. They fully concur with the views of the Port Trust that such an amendment would not only seriously affect the fortunes of the Port of Bomby but would also mean considerable loss of Customs revenue to the Government of India.

It was a matter of satisfaction to my Committee that recently the Government of Bombay had realised the seriousness of the situation arising out of the increasing diversion of trade from Bombay to other Kathiawar ports, and had given the much needed relief to trade, particularly cotton, by abolishing the Town Duty on cotton imported into the City. My Committee thought that this would lead to measures for relief to other sections of the Import and Export trade of the City by Government, but the proposed amendment of the Petroleum Rules has disappointed them. As the Bombay Port Trust in its statement pointed out, the only result of the amendment would be to divert a large portion of the petroleum trade of the port of Bombay. My committee are, therefore, strongly opposed to the proposed amendment of the Petroleum Rules.

At the same time, my Committee would have no objection to allowing the Baroda Durbar to import petroleum at Okha in such quantities as may be required for the use of industries located in that place, but under no circumstances the Baroda Durbar should be allowed to bring petroleum via Okha to British India crossing the stations on the Viramgam Customs Line.

Letter No. 7436-B, dated 18th February 1935, from Government of Bombay to Chamber.

With reference to your letter No. 1991 dated the 2nd August 1934, I am directed by the Governor in Council to

state that the Government of India have on reconsideration withdrawn the permission granted to the Baroda Government in 1931 for the importation into British India of petroleum landed at Port Okha.

APPENDIX 67.

Coal Restriction Scheme.

Letter No. 2588-G/33, dated 9th July 1934, from Government of Bombay, Revenue Department to Chamber.

I am directed by the Governor in Council to forward a copy of the letter from the Government of India, Department of Industries and Labour, No. M/76 dated 28th June 1934, addressed to the Government of Bengal, Bihar and Orissa, and the Central Provinces, regarding a scheme for the restriction of the output of coal in India, and to request that the Government of Bombay may be furnished at a very early date with the opinion of your Chamber thereon.

Letter No. M. 76, dated 28th June 1934, from the Government of India, Department of Industries and Labour, to the Provincial Governments of Bengal, Bihar and Orissa and C. P.

I am directed to forward for the information of the Government of Bengal/Bihar and Orissa/the Central Provinces, copies of the papers entered in the attached schedule relating to a proposal for the restriction of the output of coal in India.

2. It will be seen that in December 1933 the Indian Mining Association, with the support of the Indian Colliery Owners Association propounded a detailed scheme for the compulsory restriction for a period of three years of the output of coal in Bengal, Bihar and Orissa and the Central Provinces. The main features of this scheme were (a) a reduction not exceeding 25 per cent. in the output of all but small collieries in Bengal and Bihar and Orissa; (b) the maintenance

of existing output in the Central Provinces; (c) the grant of special treatment to recently opened collieries; (d) the safeguarding of *bona fide* forward contracts up to 31st March 1935; and(e)the administration of the scheme by a Committee, consisting of a Chairman appointed by Government and eight members, of whom the Indian Mining Association would nominate four, and the Indian Mining Federation and the Indian Colliery Owners Association two each.

3. The Indian Mining Federation, while agreeing in principle to restriction, expressed the opinion that the recognition of forward contracts to the extent contemplated would defeat the purpose of the scheme, and took exception to the representation on the proposed Committee of the Indian Colliery Owners Association. The Federation had other less important objections to urge against the scheme. Apart from the disagreement among the three bodies representing the coal trade in Bengal and Bihar and Orissa, there was sub-stantial opposition from certain colliery owners in the Central Provinces who felt that the scheme would operate unfairy against partly developed properties. It was also evident that consumers' interests would view the scheme with apprehension.

4. The Government of India accordingly addressed the Indian Mining Association in this Department's letter No. M-76, dated the 21st March 1934 of which copies were furnished to the Indian Colliery Owners Association and the Indian Mining Federation. A copy of this letter has since been sent to the Central Provinces and Berar Mining Association. The position taken by the Government of India was that it was for the industry to supply in the first instance the statistical and other material in support of the case for restriction of output and that, if this material proved sufficient to justify such a course, they would be prepared to place the issues before Local Governments and the interests concerned without avoidable dealy. The Indian mining Association, the Indian Colliery Owners Association and the Indian Mining Federation have now, in their letters of the 26th April, the 12 May, and the 23rd May 1934, furnished fuller

statements of their case and, on the basis of the material supplied by these bodies and of an independent examination of the position, the Government of India now feel it possible to state the issues to Local Governments. The reply of the Central Provinces and Berar Mining Association is still awaited, and a copy of it will be forwarded to the Local Government as soon as it is received.

5. The case for restriction rests mainly upon the assertion that coal prices have so fallen in relation to raising costs that consumers are obtaining their coal at rates which are unfair, and may ultimately prove disastrous to the coal industry. It is necessary to observe, however, that the present low prices of coal are not due to actual over-production. On the contrary, as the following figures of production in British India and Indian States for the years 1926 to 1933 and of closing stocks over the same period clearly show, the present rate of consumption is actually in excess of production.

Year.	Production (1,000 tons) (British India and Indian States.)	Stocks (1,000 tons) (British India.)
1926	20,999	2,200
1927	22,082	1,779
1928	22,543	1,626
1929	23,419	844
1930	23,803	986
1931	21,716	1,414
1932	20,153	1,665
1933	18,161(British India only)	1,144

The recent fall in production has been accompanied by the closing down of a large number of small collieries. The reason why this process has not effected a rise in prices is, in the opinion of the Government of India, the general slump in trade and the capacity of the industry to increase its production substantially at short notice. Labour is

abundant, competition within the industry is acute and the potential production is greatly in excess of the probable future demand.

6. The extent to which prices have fallen may be estimated in various ways. The Indian Mining Association give the average pit mouth price of coal in 1923 at Rs.7-8-0 per ton, and in 1932 at Rs. 3-6-0 per ton. The Indian Mining Federation quote maximum figures (for the years 1922 and 1923) ranging from Rs. 6-14-0 to Rs. 11-8-0 per ton, and minimum figures (for the years 1932 and 1933) ranging from Rs. 2-14-0 to Rs. 3-4-0 per ton for different classes of coal. The Government of India find that the average declared value of British Indian coal fell from Rs. 4-4-3 per ton in 1927 to Rs. 3-0-6 per ton in 1933. The figures for railways purchses indicate that between 1932-33 and 1934-35 the fall in prices has been approximately as under:—

	1932-33 (Rs. per ton)	1934-35. (Rs. per ton)	Percentage fall.
First quality ..	4 12 0	3 10 0	24
Intermediate qualities	4 4 0	3 0 0	29
Second quality ..	3 0 0	2 2 0	29
		Average percentage fall	27

7. In the table attached to this letter the index numbers of the average pit mouth prices of Jharia No.1 and Dishergarh coal combined are compared with those of prices of other commodities over the period 1927 to 1933. These figures show that the price of coal has not fallen so steeply as that of other commodities since the present depression began. It is however understood that the present price of coal is in few cases appreciably above raising costs and must often be below them. The average pit mouth price of coal now stands, at about Rs. 3 a ton and, while raising costs may in exceptional cases be as low as Rs. 2 a ton, in a mine of average difficulty they may amount to Rs. 3 or even more. The

inference that many collieries must be working at a loss is supported by the fact that in 1933, of 68 coal companies mentioned in the Calcutta Stock and Share List, 33 declared no dividends (Indian Coal Statistics, 1932, p. 13). Further such equilibrium as exists between raising costs and prices has largely been maintained by a reduction of wages and salaries and by an undesirable concentration on the best coal.

8. The position of the coal industry thus appears to be very unsatisfactory. The disadvantages of this state of affairs may be summarized as:—

(1) Financial losses to the industry, the investing public and to Government revenues.

(2) A weakening of the industry, especially in its power to adopt improved methods of extraction.

(3) A tendency to confine production to seams of the best quality coal.

(4) An undesirable reduction of wages and salaries.

9. On the other hand this state of affairs has the obvious advantage that it enables an important raw material to be supplied at a very cheap rate. Among those who profit by this state of affairs are the Government of India. An increase of pit mouth prices of Re. 1 a ton would effect adversely the Railway budget to the extent of about Rs. 33 lakhs a year and the Defence budget to the extent of about Rs. 1 lakh a year. It is obvious however that a rise in prices would affect Government revenues beneficially in other directions and the Government of India do not wish to stress unduly this aspect of question.

10. Although there are many and obvious defects in the scheme of restriction which has been proposed by the Indian Mining Association, the Government of India are not convinced that it would not be possible to establish a method of control which would provide an early and adequate rise of prices and secure the continuance of a satisfac-

tory and not excessive price standard. The principal weakness of the scheme of the Indian Mining Association is the inadequate protection which it would afford to consumers. This weakness could be removed by providing a Control Board comprising an equal representation of producing and consuming interests under an official Chairman. The Government of India would in no case be prepared to consider the application of a scheme of restriction to collieries owned by State Railways whether State-managed or Company-managed. They consider that by reducing the raisings of coal from the State managed Railway collieries from 1,950,000 tons in 1927-28 to a proposed output of 1,150,000 tons in 1934 35 they have done all that could be expected in the interest of the industry. They have further given in paragraph 8 of this Department's letter No. M. 76, dated 21st March 1934 the assurance that though they think it important to retain liberty of action they have no present intention of altering their policy in the matter of coal purchases. They consider that the curtailment of output necessary to provide an adequate rise in prices would be very much less than that suggested by the Association and would probably be something like 5 percent. of the production of 1933. They consider that in any case the object of the Control Board should be to steady prices at an approved level and that this could probably be accomplished by reserving the fixation and variation of a general quota to the Government of India and by countering any tendency to an excessive rise of price by the opening of closed mines and increasing the production of the Railway collieries. The Government of India further consider, that the dangers of interfering with the export trade could be met by excluding export coal from the quota, that forwards sales would not give rise to any great difficulties and that it would be possible to make special provision for mines under process of development without unfairness to the industry as a whole. They also believe that a restriction scheme in British India could be made sufficiently effective if necessary without the co-operation of the Indian States which produce coal.

11. The objections which the Government of India feel to the whole proposal are, however, objections of principle and, subject to the further consideration which they will give to the matter on receipt of the views of the Local Governments and any further materials which may be forthcoming, their view is that these objections are insuperable. In their opinion no true analogy can be drawn from the measures which have been taken to control the production of tea and rubber. Coal is one of the essential raw materials of trade and industry. It would appear unjustifiable to take steps to increase the cost of coal merely because such steps were possible while the prices of all the other principal raw materials which India produces were left in their present depressed condition. Such action would appear to be one sided and likely to have undesirable effects on industry and consequently on the prices of other raw materials such as, for instance, cotton and wheat. The Government of India are also not prepared to admit that an analogy can be drawn from the principle of protection. Protection is given to industries against external competition from countries in which the condition of production differ from those in India. To give protection to a basic industry against internal competition would be to introduce a new principle. The cotton textile industry is suffering from uneconomic internal competition in some directions, but the suggestion has never been made and would never be entertained that Government should take power to protect the inefficient producers against their better equipped competitors.

12. A consideration of almost equal importance is that so far as can at present be foreseen the effect of control, even if it were to be successful, would be merely to postpone the evil day. The Indian Mining Association have proposed that control should be established for three years and this would appear to be as long a perid as could be contemplated for the purpose. The coal industry is a self-contained industry supplying a steady market and free from any real danger of external competition. It is eminently an industry which should be able to organise itself and the fact that it

has so lamentably failed to do so hitherto makes it reasonable to suppose that it would equally fail to adjust itself while it was protected by a control scheme from the stimulus of internal competition. No system of control could be established without doing a measure of injustice to some concerns and if on the cessation of control the general condition of the industry were approximately the same as it is to-day these more efficient concerns would have made their sacrifices in vain and would thus have a serious ground of complaint.

13. The Government of India are thus disposed to consider that the best course for them to take will be to reject the application for the institution of control. Before, however, they take their final decision, they wish to be informed of the views of the Governments of Bengal, Bihar and Orissa and the Central Provinces, as these primarily interested in the coal industry. They understand that these Governments have already been considering the implications of restriction in cosultation with the bodies which represent the coal mining interests. They hope therefore that it will be possible for them to forward their replies to this letter at a very early date. The Government of India would be gald if they would arrange for such consultation with the interests affected by the scheme as they may consider desirable. Copies of this letter are being forwarded direct to the Indian Mining Association, the Indian Mining Federation, the Colliery Owners' Association and the Central Provinces and Berar Mining Association.

Letter No. 2066, dated 8th August 1935, from Chamber to Government of Bombay.

Subject: Coal—Restriction on output of.

I am directed by the Committee of this Chamber, in reply to your letter of the 9th July 1934 No. 2588-G/33, to send their views to you hereby.

My Committee feel that if the effect of the restriction scheme is to enhance prices of coal unreasonably and beyond

certain limits, there is bound to be an outcry on the part of the consuming industries. Until, the restriction scheme is formulated in great detail, its method of operation explained and the probable effect on prices assessed it would be difficult for my Committee on this ground to oppose it. *Prima-facie* therefore, my Committee have no objection to the consideration of a scheme calculated towards price recovery to a normal level instead of the present dropping and uneconomic level as at present. It is understood that a Committee is going to be appointed which will enunciate the details and put forward proposals that will be workable and that in their effect on current prices would not be alarming to the consuming interests. At that stage, my Committee expect to be called upon again to give their views. On this basis, I am directed to inform you that my Committee do not desire at this stage to oppose the basic idea of restriction which they are informed is so necessary to prevent demoralisation in the coal industry.

One important point on which I am directed to draw your attention is the futility of any scheme of restriction which takes British India alone into account and does not embrace the vast production of collieries in the Indian States.

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IV. GENERAL TRADE AND INDUSTRY.

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APPENDIX 68.

Rate of Insurance for private-owned go-downs.

Letter No. 1142, *dated 2nd May* 1934, *from Chamber to the Fire Insurance Companies Association.*

I am directed by the Committee of this Chamber to address you in regard to discriminatory rates of premia charged by the Fire Insurance Companies for private-owned godowns in the City. In this connection, my Committee have received complaints from some merchants that the rates of premia paid by them for their godowns are about 40 per cent. higher than those for the Port Trust godowns. They are given to understand that these merchants have constructed their godowns in consultation with your Association and in accordance with your requirements in the matter, at considerable cost. The merchants now complain that the Insurance Companies have recently increased their rates of premia from 7 annas per cent to 11 annas per cent for private-owned godowns. It appears that this increase was made by the Insurance Companies on account of the heavier percentage of loss incurred by them in respect of private-owned godowns compared with that for the Port Trust godowns on the basis of five years' experience. My Committee submit that this period is not adequate to justify the increase which is more than 50 per cent in the premia, over and above the already discriminatory rates. In this connection, my Committee had consultation with some of the owners of these godowns, who expressed their willingness to instal sprinklers in their godowns, as also take such other precautionary measures as might be required by the Insurance Companies, provided that the rates of premia for their godowns were kept on the basis of those for the Port Trust godowns. My Committee, after careful consideration of the suggestions put forward by some of the godown owners, feel that the Fire Insurance Companies should favourably reconsider their above request.

With regard to the recent increase,' my Committee submit it is not fair to base the increase on 5 years' experience only, but the Insurance Companies may well wait for sometime more, say 5 years more, and see if the experience gained during that period justifies any increase in the rates of premia.

Letter No. 946-E, dated 15th May 1934, from the Bombay Fire Insurance Association to Chamber.

I refer to your letter of the 2nd instant and am directed to inform you that the recent experience of the privately owned godowns, irrespective of any other risks, has been such that an increase in rates was clearly shown to be necessary, as the losses were vastly in excess of the premiums.

The rates for privately owned godowns constructed to meet this Association's requirements are still lower than those for the godowns not so constructed and in laying down certain recommendations for construction my Committee did not engage to maintain the insurance rates at a level which experience has shown to be uneconomic.

They are, however, already investigating a scheme for sprinkler protection in co-operation with members interested in the insurances of the privately owned godowns.

APPENDIX 69.

Double Insurance Premium for Night-Shift work in Mills.

Letter No. 2197, dated 27th August 1934, from Chamber to the Bombay Fire Insurance Association.

The attention of the Committee of this Chamber has been drawn to the practice of Fire Insurance Companies charging extra premium for night-shift work in Ahmedabad Mills, and I am directed by them to address you as under.

My Committee understand that those mills in Ahmedabad which are working night-shifts, are charged by the Insurance Companies extra high premium, that is to say, double the premium, irrespective of the fact that the mills are already paying premium for insurance on their existing risks. The only ground for charging such an extra premium seems to be that there is an increased fire risk involved in the working of night shift. In this connection my Committee have perused the correspondence that has passed between the New Rajpur Mills and your Association. They agree with the New Rajpur Mills that the present system of charging double premium for night shift work is quite unjustifiable. They understand that the New Rajpur Mills are agreeble to a small extra charge in addition to the normal premium for the night shift. My Committee consider this quite reasonable and it should meet with your approval.

The difficulty that has been brought to the notice of my Committee is that unless and until your Association lays down a general rule to that effect, none of your members could introduce the system of charging small extra premium as suggested above, in place of the present double premium. My Committee, therefore, strongly urge your Association to reconsider the matter and revise the present system of charging such high extra premium. Your Association needs hardly to be reminded of the difficult times through which the Textile industry is passing at present, and any reasonable and just relief such as the one suggested above would, doubtless, be of considerable help to it. My Committee hope that you will kindly consider the case favourably.

Letter No. 1037-*A*, *dated* 5*th September* 1934, *from the Bombay Fire Insurance Association to Chamber.*

I am directed to acknowledge receipt of your letter No. 2197 of the 27th ultimo and to state that the case you cite has already received the full and careful consideration of this Committee.

I am to explain that the extra charge for night work is fixed on its own merits and has no relation to the basis rate for insurance of a mill working in normal hours. This extra premium is applied to cover the additional fire hazards attaching to night work and is applied to all Cotton Mills on this side of India ratable under the Bombay and Bombay Mofussil Cotton Mills Tariffs.

This Association is aware of the difficult times through which the Mill Industry is passing but there would appear to be no justification in reducing the existing rate for the night shift risk.

Letter No. 1037-*A*, *dated 7th March* 1935, *from the Bombay Fire Insurance Association to Chamber.*

I refer to my letter of the 5th September last and am directed to inform you that the Committee have been reviewing in the light of certain figures which have been recently collected, the basis on which the above extra is collected under the existing Tariffs.

These collated figures reveal that the present system operates unfailry in certain cases and the Committee found that the adoption of a percentage loading of 50 per cent. on normal working rates to cover the increased hazard would be more equitable. This additional percentage is to apply only to those departments actually worked at night and departments communicating therewith and is to be calculated on the rate arrived at after other Tariff extras applicable have been added.

The matter was referred to the Fire Offices' Committee (Foreign) who have approved of the adoption of the above and the Committee have therefore decided to bring this revision into force as from 1st January 1935.

APPENDIX 70.

Diversion of Seeds Trade from Bombay.

Letter No. 817, dated 28th March 1934, from Chamber to Government of Bombay, General Department.

The attention of the Committee of this Chamber has been drawn to a representation made by the Seeds Traders Association to the Government of Bombay in regard to the diversion of seeds and grain trade from Bombay to other ports. I am directed by them in this connection to make the following observation in support of the said representation.

In the first place, my Committee would like to draw the attention of Government to various representations made by the commercial community, both Indian and European, to them, the Port Trust authorities and the local Railway Authorities in regard to the deflection of trade from Bombay to various other ports that has commenced since 1921-22. My Committee are glad to note that very recently the Government of Bombay, the Port Trust and the local Railway authorities have at any rate realised the seriousness of diversion of cotton trade from Bombay to other ports and expressed their willingness to accord the much needed relief by way of (1) abolition of Town Duty on cotton, (2) reduction in Port Trust charges, and (3) reduction in railway freight.

My Committee, however, beg to state that trades other than cotton, such as seeds, grain, sugar etc have not yet received the attention that they need at the hands of the authorities. My Committee have carefully perused the representation made by the Seeds Traders' Association, and feel that the Association had made out a strong case for obtaining the much-needed relief from the Bombay Port Trust and the local Railways. From the various statements submitted by the Association, it is clearly seen that the burden of the Port Trust charges and the railway freights on the grain and seeds trade of Bombay is becoming heavier and heavier every day

with the result that the trade has begun to seek, in an increasing degree, other cheaper and economic channels such as Kathiawar ports and Marmagoa.

My Committee trust that Government will be pleased to favourably consider the representation of the Seeds Trader's Association and impress upon the Bombay Port Trust and the local Railway Authorities the urgent necessity of giving the much needed relief to the seeds and grain trade of Bombay by way of substantial reduction in the Port Trust charges and railway freights respectively.

Letter No. 5125/5657-D, dated 5th April 1934, from Government of Bombay, Finance Department, to Chamber.

I am directed to acknowledge the receipt of your letter No. 817 dated 28th March 1934 addressed to the Secretary to Government, General Department, and to state that the matters about which you have written will be taken into account in the Government of India enquiry announced by the Honourable Sir George Schuster in the Legislative Assembly on 27th March 1934.

APPENDIX 71.

Importation of Matches into Cutch under misleading Labels.

Letter No. 243, dated 30th January 1934, from Chamber to the Central Board of Revenue.

The attention of the Committee of this Chamber has recently been drawn to complaints re: importation of Japanese matches in Cutch with misleading labels describing the same as "Made in India", and which are subsequently palmed off as Indian products. This, my Committee understand, is done through an ingenious device. Consignments of match boxes with the trade mark of "Typewriter" from Japan containing gross and dozens of boxes bear marks of origin,

that is to say, "Made in Japan," but on individual match boxes inside these consignments bearing the same trade mark, labels "Made in India" are affixed. I am directed to enclose herewith these labels for ready reference of the Board. It will no doubt, be observed that through this device of labelling individual match boxes as "Made in India," while showing outer labels as "Made in Japan," the public can easily be beguiled into purchasing Japanese Match boxes under false cover of Indian products.

My Commitee, no doubt, recognise that these Japanese match boxes are imported into a territory of an Indian Prince over which the Central Board of Revenue may not have direct jurisdiction. They have already drawn the attention of the Customs Authorities of the Cutch Darbar, but they feel strongly that this is a matter affecting not only Cutch, but the whole country, because through Cutch, Japanese match boxes may pass on in increasing quantities to the adjoining territories both British Indian as well as Native States. And what is more important is that if Japanese matches are allowed to be imported into Cutch under misleading labels, the indigenous match industry may seriously be threatended with quite an abnormal form of foreign competition.

Under the circumstances my Committee urge that the matter requires serious consideration, and would request your Board to institute immediate enquiry into the same with a view to put a stop to the importation of Japanese Matches in Cutch under misleading labels in consultation with the Customs Authorities of Cutch.

Letter No. D .A. Dis-92-Cus-11/34, dated 17th May 1934, from the Central Board of Revenue to Chamber.

I am directed to say that the matter contained in your letter quoted above was brought to the notice of the Collectors of Customs concerned. It is regretted that a reply to your letter was not sent in the first instance.

Letter No. 242, *dated* 30*th January* 1934, *from Chamber to the Customs Officer, Cutch.*

The attention of the Committee of this Chamber has been recently drawn to complaints re: importation of Japanese matches in your territory with misleading labels describing the same as "Made in India," and which are subsequently palmed off as Indian products. This, my Committee understand, is done through an ingenious device Consignments of match boxes with the trade mark of "Typewriter" from Japan containing gross and dozens of boxes bear marks of origin, that is to say, "Made in Japan," but on individual match boxes inside these consignments bearing the same trade mark, labels "Made in India" are affixed. It will, no doubt, be observed that through this device of labelling individual match boxes as "Made in India," while showing outer labels as "Made in Japan, the public can easily be beguiled into purchasing Japanese match boxes under false cover of Indian products.

My Committee feel strongly that if Japanese matches are allowed to be imported into the country through your port under misleading labels, the indigenous match industry may seriously be threatened with quite an abnormal form of foreign competition.

Under the circumstances my Committee urge that the the matter requires serious consideration, and would request you to institute immediate enquiry into the same with a view to put a stop to the importation of Japanese matches in Cutch under misleading labels.

Letter No. 110, *dated* 15*th March* 1934, *from the Revenue Commissioner, Cutch to Chamber.*

With reference to your letter No. 242 dated the 30th January 1934, and subsequent reminder No. 520 dated the 3rd March 1934, addressed to the Customs Officer Cutch Mandvi, I have the honour to inform you that so far Japanese Matches under misleading labels made in India have not been imported through any of the Cutch State Ports.

Letter No. 979, dated 16th April from Chamber, to Revenue Commissioner, Cutch State.

With reference to your letter No. 110, dated the 15th March, 1934, on enquiry my Committee understand that the matches under reference were being sold in the Nakhatrana Taluka of your State. They will be glad if you will kindly make enquiries in the matter and acquaint them, at your early convenience, with the result thereof.

Letter No. 260, dated 10th May 1934, from Revenue Commissioner, Cutch State to Chamber.

With reference to your letter No. 979, dated the 16th April 1934 on the above subject, I have the honour to inform you that on inquiry it appears that the matches under reference were not sold in Nakhatrana Taluka of this State.

APPENDIX 72.

Proposal to change the specification of Cotton waste for railway axle box packing.

Copy of memorandum dated 21st May 1934, from the Indian Stores Department, Government of India.

Circular No. X-3/3736.

Subject : Superior White cotton waste for axle box packing.

"This Department purchases on behalf of State Railways in India about 8,000 Cwts. of cotton waste for packing axle boxes annually, but this quantity is likely to be largely exceeded in times of normal trade activity. The waste has been purchased during the past few years to I. R. S. Specification No. XI-31 which lays down that the waste shall comprise of **40% unteased cop bottoms,** hand mixed with 60% good quality reeling waste (hard waste.) The yarn in both cases should not be coarser than 10s.

It has been observed that when tenders are called to meet supplementary demands for this waste well established firms of waste merchants or those who have specialised in this class of waste either refrain from quoting or quote very high rates. This would seem to indicate that serious difficulties are being encountered by merchants in obtaining even the comparatively small quantities that are required against our supplementary demands. Informal enquiries reveal that there is a tendency in the spinning trade towards the elimination of "Mule" spinning and the substitution of this by "ring" spinning thereby appreciably reducing the supply of cop bottoms, and that many mills have resorted to the practice of utilising their "hard yarn" waste for being broken up and respun into yarn again.

If these tendencies have been correctly reported it would appear that it is perhaps in the best interests of the suppliers and consumers if the Railways concerned are induced to accept a good quality of reeling waste teasedor unteased, thus eliminating Cop bottom waste altogether, but before doing so and moving the Railway Standardisation Committee to revise the existing specification, I would request for your considered opinion in the matter.

As this Department will be calling for tenders against the next annual contract sometime in July 1934 an early reply is requested.

Letter No. 1518, *dated* 15*th June* 1934, *from Chamber to the Indian Stores Department.*

I am directed to acknowledge receipt of your Memorandum No. X-3-3736, dated 21st May, 1934, and in reply to say that my Committee have no objection to the proposed change in the specification of cotton waste for railway axle box packings.

APPENDIX 73.

Proposal for a Commercial Museum in Federated Malaya State.

Letter No. 4723/CID. dated 26th May 1934, from the Director General of Commercial Intelligence to Chamber.

"The Government of India have received a proposal from the Agent to the Government of India at Kuala Lumpur, F. M. S., for the opening of a Commercial Museum at some centre in F. M. S., such as Singapore, Kuala Lumpur or Penang. Indian manufactured goods may be able to compete successfully in Malay with similar goods from other countries owing to the proximity of India to Malay as compared with most of the European countries from which manufactured articles are imported into that country at present. It is also understood that the idea of setting up an Indian Commercial Museum in the Federated Malay States has been very enthusiastically received by the important Indian merchants and Associations in Malay. There is already in existence at Singapore a Japanese Commercial Museum run under the auspices of the Japan South Seas Association and also a British Trade Museum and it is represented that the establishment of an Indian Commercial Museum in Malaya is likely to be of considerable use in improving the Indian export trade with that country. The possibilities of an Indian Commercial Museum in Malaya is better illustrated by the following fact. Until recently Indian tiles were not used in Malaya, which was importing enoromous quantities of tiles from Marseilles. A representative of a Malabar Tile Factory with the assistance of the Agent introduced Malabar tiles in 1930 to the Malayna market with the result that market has now taken largely to Indian tiles in preference to the French. It is also reported that a chemicl concern in Calcutta has recently introduced their toilet goods and has succeeded to a certain extent in capturing the Malayan market for well organised advertisement and propaganda.

2. The proposed Museum will be under the supervision of the Agent to the Government of India. The Agent or the Curator of the Museum will take necessary steps to explain the particulars furnished to them regarding the exhibits to visitors. They will also book orders and forward them to the exhibitors in India. The exhibits will have to be prepared, packed and consigned to the Agent *c. i. f.* the place selected together with catalogues, price list and other literature, customs duties if any and all incidental charges will have to be borne by the exhibitors.

3. The scheme is yet only under consideration and cannot, however, materialise unless it receives the active support and co-operation of Indian manufacturers and exporters and Chambers of Commerce. I have already addressed direct some manufacturers and exporters of the articles mentioned in the enclosed list which are chiefly proposed to be exhibited in the proposed Indian Commercial Museum in Malaya. I shall be obliged if you will kindly have this circularised among your members and favour me with your views on the scheme generally. I shall also be glad to know whether you are inclined to contribute towards the maintenace of the proposed Museum in case owing to the present financial stringency Government find it difficult to provide adequate funds for the creation and proper maintenance of the Museum.

4. An early reply would be very much appreciated.

List of articles proposed to be exhibited in the proposed Indian Commercial Museum in the Federated Malaya States.

1. Toilette. Soaps, Hair Oils, Creams, Talcum Powders, Scents (attars) and perfumes, Boot Polish, Blanco, etc.

2. Fabrics. Cotton suitings, shirtings, bed-sheets, towels (Japan cannot produce more than 44 inches wide), Sarees, handkerchiefs, tiles, underwears, pugries, table-cloths, twills, carpets, waterproofs. canvas, etc.

3. Leather. Belts, wristlets, leather bound diaries, leather bags. attache cases, wallets, etc.

4. **Stationery articles.** Letter files, printing materials (types, ink, etc.) steel hibs, pencils, penholders, ink pots, blotting paper, brown paper, ribbons, tags, etc.

5. **Hardware.** Brass and aluminium wares, cookers, locks, spades, axes, steel trunks, iron safes, steel cup-boards, steel furniture, metal buttons, etc.

6. **Paints.** Varnishes, etc., disinfectants.

7. **Chemicals.** Metal polish, essences.

8. **Building materials.** Cements, tiles, etc.

9. **Sports materials.** Sialkot.

10. **Electric materials.**

11. **Medicines (Patent).**

12. **Jute and fibres.** Gunny bags, etc., coir manufacture, etc.,

13. **Indian films, gramophone records, etc.**

Letter No. 1754, *dated* 11*th July* 1934, *from Chamber to the Director General.*

With further reference to your letter No. 4723 –C. I. E., dated 26th May 1934, I am directed to inform you that my Committee have circulated the proposal under reference among members of the Chamber. They approve of the proposal for opening a Commercial Museum at some centre in the Federated Malay States, as such a Museum will, no doubt, go a great way in expanding India's trade with that country.

With regard to the question of maintenance of such a Museum, my Commitee are of opinion that all the expenses should be defrayed by Government and by reasonable fees to be levied on exhibitors; but Chambers of Commerce and other public bodies should not be called upon to contribute towards the same. My Committee would be glad to know the outcome of the proposal under consideration of Government.

APPENDIX 74.

Selling Agency of the proposed Sugar Marketing Board.

Letter No. 2552, *dated* 15*th October* 1934, *from Chamber to the Indian Sugar Mills Association, Calcutta.*

The Committee of this Chamber understand that your Association is considering the appointment of Selling Agents for the Sugar Marketing Board recently formed under your aegis. In this connection, my Committee are informed that some foreign merchants or firms have applied for this Agency and it is feared in cetain quarters that the appointment might go to a foreign Agency. My Committee would like to be informed as to what the exact position in the matter is.

The Sugar Industry is one for the development of which Indian people have not grudged the burden of a heavy protective duty. Government have given to the Industry a large measure of protection and the Indian people have welcomed such a protection even though it might entail an additional burden on them. It now rests with the Sugar Mills' Association, representing manufacturers of sugar, to have their Sales Organisation entirely Swadeshi. My Committee are quite sure that this must be the policy of your Association, and hope that this letter will not be considered in the light of any outside interference with the affairs of your Association. All that my Committee want is an assurance from you that with regard to the question of Agencies your Association would bear in mind the propriety and fairness of giving them to Indian firms.

Letter dated 29*th October* 1934, *from the Sugar Mills Association, to Chamber.*

With reference to your letter No. 2552 dated 15th October 1934, I am directed to say that the same will be placed before the meeting of the Marketing Board, when it meets for due consideration.

APPENDIX 75.

Interview with Mr. T. A. Stewart, I.C.S., Secretary, Commerce department.

RECORD OF THE DISCUSSION.

THE INDIAN MERCHANTS' CHAMBER, BOMBAY.

Speech of Sheth Mathuradas Vissanji, President at the interview with the Hon'ble Mr. T. A. Stewart, Secretary to the Government of India, Department of Commerce, on Wednesday, the 4th July 1934.

Mr. Stewart,

I am glad to offer you welcome, on behalf of the Committee of this Chamber, to our Committee meeting, to discuss a few Commercial questions which my Committee consider to be of importance. I thank you for the trouble you have taken in coming over here and for sparing the time for this purpose.

1. Appointment of Trade Commissioners abroad.

The first question my Committee would like to discuss with you is with regard to the appointment of Indian Trade Commissioners. My Committee have considered this as of great importance for years past, and you may be interested to learn that we suggested such an appointment even to the late Mr. Noel Paten, the first Director General of Commercial Intelligence. The wheels of Government, however, move proverbially slowly, and it was in about 1916 that the first Trade Commissioner was appointed in London. Even then, Government evidently were not prepared for expanding the system, and it was only recently that another Trade Commissioner was appointed; this time, at—Pamburg. In the meanwhile, the Government of India had come with a scheme for the appointment of six Indian Trade Commissioners, but this scheme remained a dead letter, and the appointment for Milan, though actually made, remained in abeyance till recently. We do not know whether the gentleman appointed

for Milan has actually left India; nor whether someone has been selected for Tokyo and whether he has left for that place. What my Committee would like to point out is that even these four appointments do not go far to meet the necessities of the situation. There must be Indian Trade Commissioners in every important country with which India has commercial relations. This will go a great way towards expanding the trade of India and in giving our merchants and businessmen information regarding foreign countries which, at present, is either not forthcoming at all or takes a good deal of time. My Committee hope, therefore, that you will kindly press this point before Government.

2. Personnel of the Tariff Board.

The second point on the agenda is the personnel of the Tariff Board, and timely action necessary for the publication of the Tariff Board's reports. My Committee have recently learnt, with great regret, that Dr. Mathai, President of the Tariff Board, has reverted to Madras, which means naturally that he has left the Presidentship of the Tariff Board. As President of the Tariff Board, Dr. Mathai had rendered valuable services and his independence of outlook, his close and conscientious study of the problems before him, his care and anxiety for Indian industries, and his courteous temperament had made him an ideal Officer, greatly respected by the Indian commercial community. My Committee cannot understand why such an Officer should have been allowed to leave the Tariff Board. In their opinion, Government should have made every effort to retain his services. If, however, it is too late now, and Dr. Mathai cannot be retained for the Presidentship, my Committee would strongly urge that a capable Indian should be appointed in his place as President. Presidentship of the Tariff Board, in the opinion of my Committee, is an office which an Indian can most suitably occupy. They hope that the personnel of the whole of the Tariff Board will be Indian in future.

There is one more point with regard to the Tariff Board question, which my Committee would like to stress. That

is the necessity for issuing the reports of the Tariff Board at as early a date as possible. With regard to some reports, there has been a great delay in the publication, with the result that the Industries for which those reports were written are threatened with ruin. Thus the Chemical Industry applied for protection in June 1927; Government referred it to the Tariff Board in July 1928; the Board submitted their report in May 1929; while the report was published in September 1931, that is, four years after the industry applied for protection. Similarly, with regard to the Indian Textile Industry, while the report was submitted by the Tariff Board in November 1932, it was published after a lapse of 15 months. Even with regard to the Glass Industry, the Tariff Board, my Committee understand, have submitted their report sometime in the middle of 1933, and yet it has not been published. These long delays deprive the reports of their utility, as with regard to protection of industries, it is timely action which is of paramount importance.

3. Protection to the Glass Industry.

I have referred, in the previous paragraph, to the case of Glass Industry, and my Committee would request you to publish the report of the Tariff Board at an early date and take necessary action for the protection of the industry. The Glass Industry, as you know, is one of those industries which have not yet prospered. Several Companies have been started, but there has been a large number of casualties, owing to the want of protection, and keen foreign competition. India is eminently a land suitable for the Glass Industry, and if the necessary protection is given, the industry can easily be established and made successful, as the match industry and the cement industry have been, and the sugar industry promises to be.

4. Ottawa Committee.

The next item is with regard to the Ottawa Committee which, my Committee are informed, will shortly sit at Simala to examine the statistics and other relevent facts of the direction the trade of India may have taken as a result of the

Ottawa Agreement. My Committee, in common with the committees of all other Indian Chambers of Commerce in the country, are greatly interested in this question, and have already addressed Government requesting them to supply them with all the literature and statistics that may be supplied to the said Committtee. It is hoped that you will be kind enough to do so, and will also keep my Committee informed of the progress of the Ottawa Committee. My Committee will be glad to offer the necessary co-operation, if called upon to consider this question with the Committee appointed by Government, and to examine all the different factors. The Ottawa Agreement, against which my Committee strongly protested, was a new experiment in the trade of India with foreign countries, and all its repercussions should, therefore, be examined impartially and thoroughly, with a view to see if the Ottawa Agreement has proved beneficial or otherwise.

5. Prohibition of imports of certain Indian articles into Ceylon.

My Committee understand that the Government of Ceylon contemplate adopting legislative measures prohibiting imports of Ghee, eggs, etc. from India into Ceylon. They have addressed Government in the beginning of May last, requesting information in this connection. They will be glad to be informed by you now whether the Government of India have any definite information in this matter and what action Government propose to take thereof. Government, in common with the Indian commercial community, must have been watching with great concern such measures as may adversely affect the trade of India. My Committee will feel obliged if you will further inform them if any trade negotiations are going on betweem the Government of India and the Government of Ceylon, specially with regard to any preference being given to Copra and Coconut Oil coming to India from Ceylon.

6. Amendment of Indian Merchandise Marks Act.

My Committee have long been pressing for the amendment of the Indian Merchandise Marks Act to provide for

all imported goods showing their countries of origin distinctly. Section 10 of the Act explicitly exempts goods made in the United Kingdom from having any marks of origin, and even with regard to goods from other countries such marks are required only when there is manifest any object of cheating or misleading re: the country of origin. This serious defect in the Act was brought to the notice of Government by my Committee so far back as 1922, in a case of importation of Dhoties without any mark of origin, giving the impression that the goods had been manufactured in India. The Collector of Customs then agreed with my Committee that such importation certainly gave that impression. Similar complaints have been received by my Committee time and again; but they regret to find that so far Government have not moved in the matter at all. Last year, a similar case was again brought to the notice of your Department in regard to importation of Sarees from the United Kingdom without any mark of origin. A sample of that consignment, as well as of similar Sarees, alike both in design and texture, manufactured locally was forwarded to Government for comparative inspection. The Federation of Indian Chambers of Commerce and Industry also at its last annual session passed a resolution requesting Government to amend the Merchandise Marks Act. My Committee feel strongly that it is time now that the Act be amended in order to avoid such harmful practice, by imposing an obligation for the countries of origin to be distinctly shown on all imported goods.

7. Amendment of Indian Companies Act.

Another important question which my Committee would like to emphasise is the necessity for amending the Indian Companies Act. This Act was amended as far back as 1913, since when it has remained unaltered barring minor amendments. It has grown out of date and needs to be revised, so as to bring it in consonance with the needs of the present times. You are no doubt aware that in April last, at the annual session of the Federation of Indian Chambers of Commerce and Industry, a resolution was passed asking for the amendment of the Companies Act. My Committee

are glad to know that the Hon'ble the Commerce Member announced on the floor of the Assembly, on the 16th April, that the work of amending the Act would soon be taken in hand. They would like to suggest, in this connection that representative institutions like Chambers of Commerce should be asked to co-operate with the Committee that may be appointed, in the work of revising the Indian Companies Act.

8. Insurance Legislation.

There is one more matter which my Committee would like to bring to your notice, and that is that early steps should be taken in the direction of introducing some changes in the existing Insurance Act. Practically every country has got some kind of restrictions in this important business. This point has been discussed, in the annual meetings of the Federation of Indian Chambers of Commerce and Industry, and although the then Commerce Member, Sir George Rainy, appreciated the case put forward by the Federation, he stated that the question could be taken up when the Reforms became an actual fact. In the meantime, competition in the insurance business is increasing, because many Continental and other companies are entering India. This is bound to affect the progress of Indian insurance companies adversely. It is, therefore, urged that immediate steps be taken to protect Indian insurance companies by introducing suitable legislation.

9 Difficulties of the Indian Butter Industry.

My Committee would next like to bring to your notice the various difficulties under which the Indian Butter Industry is working at present. As you are aware, the Butter Industry is of recent growth in the country and as such deserves every possible help from Government. In common with such other nascent industries, the Butter Industry has been experiencing severe foreign competition. Imports of foreign butter into India are steadily increasing as will be seen from the statistics, and it is becoming more and more difficult for the indigenous industry to stand this competi-

tion. This difficult situation of the Industry has been recently complicated on account of internal competition experienced by it from the Indian Military Dairies. My Committee are in correspondence with the Army Department in this connection, but so far no satisfactory result has been achieved.

10. Auditor's Certificates Rules.

The last point which my Committee would like to place before you is a complaint of Indian Accounts and Auditors in regard to their enrolment under rule 8 of the Auditors Certificates Rules, 1932. The rule 8 was specially inserted to enable the All India Accountancy Board to admit claims of these who had necessary theoretical training and practical experience in Accountancy and auditing but who, on account of unavoidable circumstances, could not put in the requisite period of service under the Articles. Several applications (about 70 or 80) from various parts of the country were made to the Board by persons who had good theoretical training and practical experience, in some cases extending over a long period and holding responsible position in the profession. My Committee regret to find that with the exception of 4 or 5, almost all the applications were rejected by the Accountancy Board. My Committee had taken up this matter with your Department, to which no satisfactory explanation was given as to why the claims of these applicants were rejected. They requested Government to furnish them with names and qualifications and experience of those whose applications were accepted by the Accountancy Board, to enable them to see for themselves what tests had been laid down for giving concessions to Indian Auditors under the rule 8. My Committee were surprised to find that Government were not prepared to supply this information. They had further requested Government to extend the period of rule 8, which expired in April last, at least by one year, so that in the meantime the various applications, which were summarily rejected by the Accountancy Board, might be reconsidered. Even this reasonable request of my Committee was not granted. My Committee feel very strongly on this point. Government ought to have at least shown

some consideration to the requests of my Committee, for extension of the period, of the rule 8. They cannot help believing that grave injustice has been done to a large number of qualified, competent and experienced and respectable Indian Accountants and Auditors, who ought to have been given the benefit of rule 8, which was specially inserted for the purpose. My Committee hope that even now it is not too late for Government to remedy this grievance of Indian Accountants.

Commercial Treaties.

The next item is with regard to Commercial Treaties. My Committee have, in the past, made several suggestions regarding this question. For the present, they should like to emphasise that the principle accepted at Ottawa of associating with official representatives of the Government of India non-officials also, as duly accredited representatives, should be now followed with regard to all Commercial Treaties. My Committee learn that a treaty is at present being negotiated, or is going to be negotiated, with Ireland on behalf of India. So far as they know, no non-official Indians have been invited to join any Delegation which may have been entrusted with the work of carrying on these negotiations. My Committee suggest that this Delegation should include representatives of Indian Commercial opinion and that with regard to all Commercial Treaties that may be negotiated in future this principle should be invariably followed.

List of Articles Specified in the Seaborne Trade Returns.

The Committee of this Chamber have, from time to time, been suggesting additions to the list of articles to be separately shown in the Seaborne Trade Returns. All such suggestions for separate specification have invariably been turned down by the Department of Commercial Intelligence and Statistics, mainly,on the ground of limited staff and limited time. Instances are not wanting, however, of articles, the imports of which are comparatively insignificant, receiving

separate mention, while articles which are imported in considerable quantities and of values come to be classified along with various other items. My Committee would like, on this occasion, to mention prominently the case of Healds, Reeds and Combs, the imports of which run into a good figure in value. You might not be unaware that an industry has been established in the country to manufacture these articles. It will very much help the indigenous industry if full particulars about imports of these articles could be made available to it, so that local production could be adjusted to demands and needs as indicated by import figures. My Committee would, therefore, particularly like to urge the inclusion of the above mentioned articles separately in the Seaborne Trade Returns.

Freight War Between the Coasting Steamers.

Another very serious matter to which my Committee have to invite your earnest attention is the danger to the very existence of the small Indian shipping Companies plying on the west coast of India as a result of the freight war started by the Asiatic Steam Navigation Company owing to her difference with the British India Steam Navigation Company. The Government of India have on several occasions in the post announced their policy of providing for an adequate participation of Indian Shipping in the coastal and overseas trade of the country. The Hon'ble the Commerce Member, in September 1932, assured the Assembly that "Government are particularly anxious to facilitate the growth and the expansion of the coastal trade of India in so far as that coastal trade is operated by Indian Agencies and through the instrumentality of Indian Captital." These small Indian Steamship Companies are operated by "Indian agencies and through the instrumentality of Indian capital," and as they are likely to be wiped out of existence owing to the freight war started by foreign vested interest, my Committee would request you to see that immediate and effective action is taken to safeguard the interests of Indian Shipping and thus assure the public that Government are really anxious to develop an Indian Mercantile Marine.

My Committee understand that the President of the Association of small Indian Steamship Companies has addressed telegrams and letters to the Commerce Member since May 1932, and although we are told that His Excellency the Viceroy assured the deputation of Indian Shipowners who waited upon him in October 1932 in the presence of the Commerce Member, that arrangement would be made to see that the small Indian Steamship Companies would be taken into Conference, nothing has been done upto now and my Committee have grave apprehensions that if no immediate action is taken by Government to carry out their undertaking, these Companies with their slender resources will be driven away from the coast by the powerful resources of the vested interests.

The Hon'ble Mr. Stewart, in reply, thanked the Committee for giving him the opportunity of discussing commercial questions with them. He wished to make it clear that he had come not to communicate the decisions or views of the Government of India but rather to ascertain the opinion of commercial interests on certain matters affecting them. He proceeded to deal with the different questions raised by the President in his speech.

With regard to Trade Commissioners he explained that the programme of appointment drawn up a few years ago had been interrupted by financial stringency. A decision had, however, been taken to resume that programme and Mr. Ahuja, who had been selected as Trade Commissioner for Italy, would shortly proceed to London and after a short period of training with the Indian Trade Commissioner, London, would proceed to Italy. He assured the Committee that the necessity for proceeding with the programme was not absent from the mind of the Government of India.

With regard to the Tariff Board Mr. Stewart asked to be excused from discussing the merits of individual cases, but he pointed out that appointments to the Tariff Board were not life appointments. Indianisation had already pro-

ceeded to the extent of 66.6 per cent. which indicated that there was no reluctance on the part of the Government of India to Indianise the Board. The delays in the publication of Tariff Board reports were regrettable but it appeared a salutary practice that the reports should not be published until Government had finally decided upon the action which should be taken otherwise publication would only create an atmosphere of uncertainty amongst the interests concerned. There were special circumstances which caused the delay in publishing the reports regarding the Chemical and the Textile industries, but in general if there was delay it indicated that the report raised problems which were difficult of solution. The report of the Tariff Board regarding Glass was still under consideration.

With regard to the Ottawa Committee Mr. Stewart explained that it was a Committee not of the Government of India but of the Central Legislature and that it would be for the Committee itself or for the Legislature to decide what action should be taken regarding the publication of evidence placed before it.

With regard to imports of Indian produce into Ceylon this information was derived only from newspaper reports. Official information had been called for but was not yet to hand. The Imperial Council of Agricultural Research had under preparation a report on the circumstances of the coconut growing industry in Southern India and the Commerce Department would be placed in possession of this report in due course.

With the President's permission he proposed to deal with items 6, 7 and 8, namely the amendment of the Merchandise Marks Act, the Indian Companies Act and Insurance, Legislation, at the same time. He explained that it was proposed to select a gentleman with practical experience of the working of Company Law in India to examine the mass of evidence which was already with Government regarding the administration and management of Joint Stock Companies under the present Act. Government would then consider

how they should proceed further and, if necessary, a Committee representing the different interests or professions concerned with Company Law might be appointed to make recommendations as to the lines on which the Act should be amended. Nor were the Government of India unaware of the necessity for reviewing existing Insurance legislation. In view of the very rapid development in recent years of insurance business and of the dangers involved in such rapid expansion Government did not propose to wait, as they had originally intended, for the passage through the House of Commons of the new insurance legislation which was under contemplation in the United Kingdom. The question of the revision of the Merchandise Marks Act would be taken up along with other commercial legislation.

The question of protecting the butter industry was at present under consideration of the Imperial Council of Agricultural Research whose suggestions would no doubt be put before the Commerce Department in due course.

With regard to Auditors Certificate Rules, Mr. Stewart wished to make it clear that the recent amendment of the Companies Act and the rules framed thereunder represented an attempt to place the Accountancy Profession in India in the same postition as it occupied in other countries. Within a few years it was hoped it would be possible to remove control from without and to allow the profession to control and manage its own affairs.

As regards commercial treaties, Mr. Stewart did not think that the Ottawa Agreement was a proper analogy. Negotiations for treaties were invariably negotiations between different government concerned and in no country were non-officials associated in actual negotiations. They might act in the capacity of advisers as in the case of the treaty recently negotiated with Japan but no active association in the negotiations themselves could be contemplated.

With regard to the freight war between the British India and the Asiatic Steam Navigation Compaines, Mr Ste-

wart promised to bring the position of the small steamship companies to the notice of the Hon'ble Member for Commerce.

With regard to the published trade statistics of the Government of India, Mr Stewart explained that it was not possible to include every item of import or export. This would invlove wholly unnecessary work and expense. The present form of the trade statistics represented compromise, but he was prepared to consider the inclusion of any further articles in respect of which a good case had been made out.

In conclusion he again thanked the President and the Committee for giving him the opportunity of meeting them.

After the President again thanking the Hon'ble Mr. Stewart for the interview, the meeting terminated.

APPENDIX 76

Interview with the Hon'ble Sir Frank Noyce, K.C.S.I., Industries and Labour Member.

RECORD OF THE DISCUSSION

Speech of the President at the interview with the Hon'ble Sir Frank Noyce, K.C.S.I., On Tuesday 26th June 1934.

Sir Frank Noyce,

I have great pleasure in welcoming you to this meeting today, on behalf of my colleagues on the Committee of the Chamber.

Such visits of Members of Government are always deemed as useful and valuable. They open the door for personal discussion, which clears the atmosphere and leads to a better understanding between Government and Chambers of Commerce with reference to the problems of the day. I thank you for the opportunity which is given to the Committee of the Chamber to hold this discussion.

1. Supply of Government Publications.

The first question, my Committee would like to bring to your notice is with reference to the sale of Government publications. We have in the past drawn the attention of Government to the defective manner in which the supply has been arranged. The firms, which are mentioned on the list as Agents for Government publications, do not stock, but order them out whenever an indent is given to them. This means a serious delay and loss of the value or utility of such publications which may be required for a particular purpose immediately by business firms and institutions, and men who are interested in public questions and public associations. It is desirable therefore that a change should be made in the present procedure. With regard to the present procedure, there is also a complaint that postage and packing charges are added on to the price of books even when purchased from local Agents, and very often, the amount charged for postage and packing has no bearing to the actual amount spent. All this, Sir, comes in the way of the popularisation of Government publications which, in the opinion of my Committee, should be the prime consideration of Government.

2. Indianisation of services in the India Store Department, London.

The second item for consideration is Indianisation of services in the India Store Department, London. This department deals with purchase of stores of considerable value annually. My Committee recognise that lately the annual purchase have been diminishing due to the adoption of the Rupee Tender system and other factors. But still the importance of the work carried on by the department is great. We complained sometime back regarding the paucity of Indians on the staff of the High Commissioner for India. The Stores Department is one of the principal departments of the High Commissioner and there is a complaint that there is a very small percentage of Indians employed in this department. I do not think many arguments are re-

quired to prove the justification for this. The India Store Department, London, is a department of the Government of India, and it is but right and proper that opportunity should be given to Indians to serve in this department and get experience of great value. The report of the High Commissioner of the work of the India Store Department, London, does not give any information regarding the personnel of the staff employed in that department. From names given, however, of the higher technical officers it is found that out of about 23 officers only one is an Indian. It appears that the total cadre consists of about 316 persons. My Committee would like to know what is the percentage of Indians in this cadre, and would press for satisfactory employment of Indians. While we are pressing for Indianisation of services alround, it will not be deemed equitable to keep out Indians from one of the leading departments.

3. Indians in the service of the League of Nations and International Labour Office.

The third item on the agenda is: Indians in the service of the League of Nations and the International Labour Office. This question is a hardy annual, and representatives of India, whether nominated by Government or by Employers or Labour, had been pressing very strongly their view that the number of Indian employees should be very much increased on the staff of the International Labour Office. The same is the complaint with regard to the League of Nations, but we would not press it as, I think, this question does not form within your portfolio. Notwithstanding such appeals and protests, the International Labour Office has, for all practical purposes, remained quite obtuse and indifferent to the claims of Indians. The total staff of the International Labour Office consists of about 400, out of whom there are only three or four Indians. Looking to the contribution of India to the League, which is 56 units and which is sixth in the order of payment,one should expect that the number of Indian employees of the International Labour Office would be much more. We recognise that the Go-

vernment of India have also their sympathies with this question, but unfortunately the resutlt so far of either their endeavours or the endeavours of representatives who go from here, have not been fruitful. We should like to press, therefore, for a stronger action on the part of Government in this direction.

4. Indian Air Mail Service—Composition of the Trans-Continental Airways, Ltd.

My Committee would like to voice the disappointment of the commercial community with the action of Government in bringing about the formation of the Indian Trans-Continental Airways Ld. It was the accepted policy of Government that in the development of Air Service within the country, they would encourage the formation of an Indian Company, thereby meaning a preponderating Indian shareholding, Indian control, management etc. The fundamental perquisite, namely, national shareholding has been turned aside, and a 51 per cent interest in this direction is given to a non-Indian company. Again, a further 24 per cent of capital is allotted to the Indian National Airways, Ltd. My Committee would like to be informed as to the composition of this new company. It is possible that there may be non-national shareholding in this subsidiary company also, thereby increasing the non-national percentage of the capital in the main company.

Information about the composition of the Indian National Airways Ltd. will be all the more interesting, as this company is expected to work the feeder services within the country.

My Committee cannot help mentioning that the undertaking, perhaps implied, given by the then Hon'ble Member-in--Charge of Industries and Labour on 26th September 1929 on the floor of the Legislative Assembly in regard to the stipulation under which Air Mail Service was going to be developed has been set at naught by this subsequent action.

The Hon'ble Sir Frank Noyce, in reply, thanked the Committee, at the outset, for giving him an opportunity to meet and discuss with them questions relating to his department.

With regard to point No. 1, Sir Frank Noyce agreed that the working of the Central Publication Branch required attention in order to ensure the prompter and more satisfactory supply of publications to the public. He informed the Committee that he would bear in mind the various points raised by them and that on his return to Simla he would look into the matter and would see what could be done to improve the working of the Publications Department.

With regard to point No. 2, the Hon'ble Member explained that until 1920 the India Stores Department, London, was directly under the Secretary of State for India and that the whole personnel of the department was European. Since then, there had been a radical change in the Stores Purchase policy of the Government of India, and increasing quantities of the stores required for the Government of India and the Provincial Governments were being purchased in India. The work, therefore, of the India Stores Department, London, had considerably decreased, and there had been no need to add to the staff of that department.

As regards the complaint of the Committee that there were only three Indians in the Department, the Hon'ble Member said that that was not quite correct, and that his information was that there were thirteen Indians in all occupying various posts in the Department. The High Commissioner continually kept in mind the desirability of taking the number of Indians in the Department. But for the reasons he had given, progress in this direction was necessarily slow.

With regard to point No. 3, the Hon'ble Member agreed with the Committee that the position in regard to employment of Indians in the International Labour Office and the League of Nations was not satisfactory. He informed the Committee that the Government of India were doing their

best to press the claims of the Indians for employment in the Secretariats of the International Labour Office and the League of Nations.

With regard to the last point Sir Frank Noyce observed that the whole position had been fully explained by him on the floor of the Assembly in September last year. The Government of India, in arriving at an arrangement with the Imperial Airways Ltd., in regard to the Indian Air Mail Service, had fully considered the various points raised by the Committee. The arrangement arrived at appeared to be the best it was possbible to make. He added that when the period of the present agreement with Imperial Airways expired in 1939, the Government of the day would be at perfect liberty to reconsider the whole position and make such arrangements as appeared to them suitable.

After the President had again thanked the Hon'ble Sir Frank Noyce for the interview, the meeting terminated.

Letter No. FM/109/34, dated 14th July 1934, from the Government of India, Department of Industries and Labour to Chamber.

"I am directed to refer to the visit paid by the Hon'ble Member for industries and Labour to your Chamber at Bombay on the 26th June 1934. During the discussion on the subject of the air mail service, one of your members desired to know the basis on which the Indian Posts and Telegraphs Department paid the British Post Office for postal services other than the air mail service, and whether Australia paid for her air mail and postal services in sterling or in gold, and the Hon'ble Member promised to supply the information.

I am directed to inform the Chamber that the Indian Posts and Telegraphs Department pays the British Post Office in sterling for the Peninsular & Oriental mail service. The Australian Post Office also pays the British Post Office for this service in sterling. The transit charges in respect of other postal services are based on rates fixed in gold francs

as prescribed by the Universal Postal Convention. The Indian the Australian and the British Postal administrations being parties to the Union are governed by the Universal Postal Convention and they settle transit charges with each other in terms of gold francs. Previously the British Post Office fixed its air transit charges for the England and Karachi air mail service in terms of gold for payment by all postal administrations of the Union using the air service. India as well as Australia paid these air transit charges in gold but under the special arrangements recently entered into, the British Post Office has fixed the air transit charges in sterling so far as India is concerned for the London-Singapore air service. It is understood that the Australian postal administration is still paying to the British Post Office the air transit charges in terms of gold france counting £ 1 as equivalent to 25.2215 gold francs."

APPENDIX 77.

Interview with the South African Trade Commissioner.

RECORD OF THE PROCEEDINGS.

In the absence of the President, Mr. Manu Subedar the Vice-President, took the Chair, and in welcoming Mr. Brennan on behalf of the Committee of the Chamber,explained in general the attitude of the Indian commercial community in regard to trade arrangements with other countries. He made it clear that while the Indian commercial community would welcome arrangements stimulating increased trade relations between the two countries, the same could only be on terms of reciprocity and should be such as would be to the greatest advantage of both the countries.

Mr. Brennan after thanking the Chairman and the Committee for the opportunity given to him for meeting them and for the welcome, made a brief statement of the impressions of his visit to the country. He particularly pointed out that there was collosal ignorance in European countries and even in Africa in regard to India and Indian trade conditions,

and stressed the necessity for adequate and proper publicity in such places to remove such misunderstandings. He envisaged the possibility of greater trade between India and South Africa in various directions. He also referred to the the character of the existing trade restrictions in the matter of tariff in Africa and pointed out that on terms of mutual reciprocity satisfactory arrangements for increasing the trade of both the countries in the provinces of each other, could be explored.

A general discussion followed in which Messrs. Behram N. Karanjia, Sarabhai Prataprai and the Chairman took part. It was pointed out that many of the social disabilities which obtained in South Africa against the nationals of this country formed a subject on which Indian public opinion felt very strongly and that unless the disabilities on Indian in that country *qua* Indians were removed or mitigated, public sentiment would always view with suspicion any proposal for reciprocal trade arrangements. It was also pointed out that provisions in regard to free citizenship, travel, residence, property rights etc.,were a regular feature of most of the trade treaties that were in force between the various countries and that were being entered into from time to time, and that in the fitness of things such provisions would also have to be incorporated in any treaty that might be formed between India and South Africa. The removal, therefore, of the social disabilities against Indians obtaining in South Africa would be a preliminary to the successful negotiations of any trade arrangements.

Mr. Brennan in replying to this aspect of the question said that he appreciated the point of view. However, as far as he was concerned, the question was not within his official purview,but he assured that he would take the opportunity of placing the views expressed in this connection before the proper authorities in the proper manner.

The Chairman again thanked Mr. Brennan and the meeting terminated.

APPENDIX 78.

Filing of Annual lists of Shareholders of Companies.

Letter No. 2447, *dated 27th September* 1934, *from Chamber to Registrar of Companies.*

I note from the proceedings of the Bombay Chamber of Commerce for the month of August that you had recently addressed the Committee of that Chamber regarding the amendment of the annual lists of shareholders under the Indian Companies' Act. My Committee do not appear to have received any reference from you in this connection. The matter as you will agree is of considerable interest to them also , and I shall thank you to let me know, if it is proposed to invite their views in this connection.

Letter No. 0/767, *dated 3rd October* 1934, *from the Registrar to Chamber.*

With reference to your No. 2447 dated 27th Ultimo, I have the honour to forward herewith a copy of my letter No. 0-413 dated 9th July 1934 addressed to the Bombay Chamber of Commerce and to state that I shall be glad to know the views of your Chamber on the suggestions contained therein.

Letter No. 0/413, *dated 9th July* 1934, *from the Registrar to the Bombay Chamber of Commerce.*

I have the honour to inform you that as it appears that the Government of India proposes to take up the Question of the amendment of the Indian Companies Act very shortly, I am going through the notes which I have made from time to time during my tenure of this Office as to points in the Act which require amendment with a view to preparing concrete proposals.

2. I have a proposal noted on which I should be very grateful if you would let me have the opinion of your Chamber

as it entails a departure from the English practice and I feel that there may be some commercial objection to it.

3. The proposal relates to the annual lists of share holders. As you are aware as the law stands it is compulsary for every Company to file with the Registrar a complete list of all the shareholders of that Company at the date of the Annual General Meeting each year.

These lists are in the case of the larger Companies very voluminous, in some cases running to several large volumes each year, but the number of transfers in each year is generally comperatively small so that each years list is to a great extent a copy of that of the preceding year.

4. My proposal is that it should only be compulsory for a Company to file a complete list once in every 5 years and that in each year of the intervening 4 years the Company should have the option of filing a list of the alterations that have taken place in lieu of a complete list.

My idea in making this optional is that in certain Companies the dealings in shares are so frequent that, as a list must be prepared for the purpose of paying the dividends, it would be more convenient to prepare a full list rather than a list of alterations.

5. It appears to me that if this proposal were adopted it would save a very great deal of clerical labour for the great majority of Companies, and as regards this Office, it would save a very considerable amount of registration space.

6. The only objections that I can see are (1) the extra work involved for a searcher of the Company's list of shareholders in the year preceding the next quinquennial list. I do not think that this objection is sufficiently weighty to overcome the advantages, and I find that very often what the searcher particularly looks to is the number of shares transferred or whether a particular holding is continued in one name in both of which respects, his task would be simplified, and (2) the increase of expense to a party applying for a certified

copy of the last annual list in years other than a year for the quinquennial list but the applications for a certified copy of the entire list would be , in my experiance, extremely rare.

Letter No. 2551, *dated* 15*th October* 1934, *from Chamber to the Registrar of Companies, Bombay.*

I am directed by the Committee of this Chamber to acknowledge receipt of your letter No. 0-767, dated 3rd October, 1934, enclosing a copy of your letter addressed to the Bombay chamber of Commerce, and to send their views hereby:

My Committee have carefully considered the proposal detailed in your letter and are of opinion that it is not in the interests of the shareholding public to have such a proposal put in practice. The present practice of requiring a Joint Stock company to file a complete list of shareholders every year places a certain salutory and healthy check upon the working of a Company and affords to shareholders and members of the public a means of scrutinising the list of shareholders. The new proposal will leave to the Company the option of filing a list of alterations that take place every year in lieu of a complete list which will be required to be filed once in every five years. This proposal is not satisfactory. Under the circumstances, my Committee hope that the new proposal will be dropped.

In conclusion, my Committee want me to express their protest against your original letter being addressed only to the Bombay Chamber of Commerce and not to this Chamber also. Both the Government of India and the Government of Bombay have been addressing all communications meant for eliciting the opinion of the Indian commercial community to this Chamber since a long time past, and it is hoped that your Department will also, in future, address its communications to this Chamber whenever you have an occasion for addressing representative commercial institutions.

APPENDIX 79.

Rule 8 of the Auditors' Certificate Rules.

(Vide Appendix 90 P. 408 of the A. Report for 1933.)

Letter No. 2 (34)-T & E (R. A.), dated 13th February 1934, from the Government of India, Commerce Department to Chamber.

With reference to the correspondence ending with your letter No. 10, dated the 3rd January 1934, I am directed to say that, as already stated in this Department's letter No. 2 (34)-T. & E (R.A), dated the 28th November 1933, all applications for enrolment on the Register of Accountants under rule 8 of the Auditor's Certificates Rules, 1932, have received the careful consideration of the Indian Accountancy Board and the Government of India, and I am to add that the Governor General in Council is not satisfied that the qualifications, both theoretical and practical, of the persons such as those mentioned in the second paragraph of your letter, are such as to warrant their enrolment on the Register of Accountants. I am to point out in this connection that under section 3(2) of the Indian Companies (Amendment) Act, 1930 read with the Restricted Certificates Rules, 1932, Mr. S. P. S. Iyer of Rangoon and Mr. Maneklal A. Mehta of Bombay, who hold Restricted Auditor's Certificates, are entitled to continue to act as auditors of public companies within their respective provinces, subject to compliance with the requirements of rule 2 and unless and until action is taken under rule 3 of the said rules. As regards Mr. M. B. Dalal of Karachi, he was not permitted before the commencement of the new rules to audit the accounts of public companies even within the Presidency of Bombay, and he is not therefore, affected in any way by the Auditor's Certificates Rules. It will thus be seen that the new rules have not been the cause of hardship to any class of persons nor have they deprived anybody of the means of his livelyhood. The Government of India, therefore, see no justification to alter the decision already conveyed to the persons concerned.

2. I am to add, for the information of your Committee that out of the 79 applications for enrolment on the Register under rule 8 so far considered by the Government of India, five have been accepted.

Letter No. 557, dated 7th March 1934, from Chamber to Government of India.

I am directed by the Committee of this Chamber to acknowledge the receipt of your letter No. 2 (34)-T & E) (R. A.), dated the 13th February 1934 on the above subject, and to observe in reply as follows.

My Committee have read, with regret, the reasons advanced by Government for rejecting the various applications for enrolment on the Register of Accountants, and in particular applications of the three gentlemen referred to by them in their previous letter. They submit, again, that by virtue of the long practice and experience in the profession, these gentlemen ought to have been given the benefit of rule 8, which was specially inserted for such purposes. Further these names were only illustrative and not exhaustive, because my Committee have also cases of other deserving applicants in view who have besides sufficient experience in the profession got the necessary academic qualifications like Government Diploma in Accountancy, Degree of Commerce (B. Com.) with Accountancy, etc.

My Committee are surprised that Government consider that the rejection of applications such as these "has not been the cause of hardship to any class of persons." In the last paragraph of the letter under reply, Government observe that out of 79 applications for enrolment under the rule, 5 have been accepted. When my Committee first addressed Government it appears that there were only 50 applications out of which 2 were accepted. Since then more applications have apparently been submitted and Government have been pleased to accept 3 more applications. Since my Committee have not got the names and qualifications of those applicants who have been fortunate to get themselves recognised

by Government, they are not in a position to judge the tests laid down by Government and the All India Accountancy Board for accepting the applications. My Committee will, therefore, feel obliged if Government will be pleased to supply them with names and qualifications, both academic and practical, of the successful applicants.

In conclusions, my Committee submit that the question of enrolment on the Register under rule 8 of the various applicants requires sympathetic re-consideration at the hands of the Government of India, in view of the fact that the rule will expire by the end of March 1934 after which nobody would be able to enrol under the rule. My Committee would also suggest that the time limit of the expiry of rule 8 should be extended at least by one year in order to enable the All India Accountancy Board to reconsider cases of deserving persons.

Letter No. 2 (34)-T & E (R. A.), dated 5th April 1934, from Government of India, to Chamber.

With reference to the correspondence ending with your letter No. 557, dated the 7th March 1934, I am directed to say that in the case of the persons who have been accepted for enrolment on the Register of Accounts under rule 8 of the Auditor's Certificates Rules, 1932, the Indian Accountancy Board and the Government of India were satisfied that the qualifications, both theoretical and practical, of the persons concerned justified their enrolment. The Government of India have nothing more to add to this Department's letter No. 2(34)-T & E. (R. A.) dated the 13th February 1934.

2. I am also to say that the Government of India regret that they are unable to accept the suggestion that rule 8 should be retained for another year.

APPENDIX 80

Amendment to Rule 2 (2) of the Auditors' Certificate Rules.

Letter No. 1221, *dated* 10*th May* 1934, *from Chamber to Government of India, Commerce Department.*

The attention of my Committee has been drawn to the notification dated the 3rd March 1934. No. 1 (16)-T. & E. (R. A.) proposing certain amendments to the Restricted Auditors Certificate Rules 1932 and inviting views on the same from persons likely to be affected thereby.

The first amendment seeks to amplify rule 2(2) of the said rules so as to make a person who omits to send a report about his intention to practice, as required under this rule, not eligible to practice as an auditor unless on an application made by him the Governor General in Council by order in this behalf condones this omission.

While my Committee have always been opposed to the principle underlying the submission of annual reports, they are of opinion that the present amendment puts another avoidable limitation to the rights and privileges of people entitled to practice as auditors. With a view, however, to minimise the hardship that may be involved if the above amendment is accepted, they would suggest the addition of a proviso making it obligatory on the part of Government to give one week's notice to persons who had not reported as required under this clause befor striking off their names from the Register. This would safeguard the interests of persons who inadvertently omit to send a report as required by Government.

My Committee trust that Government would see their way to accept their above suggestion.

APPENDIX 81.

Auditors' Certificate Rules re: misconduct.

DEPARTMENT OF COMMERCE.

NOTIFICATION.

REGISTRATION OF ACCOUNTANTS.

Simla, the 26th May 1934.

No. 27 (1)-T. & E. (R. A).)—The following draft of certain amendments to the Restricted Certificates Rules 1932, which it is proposed to make in exercise of the powers conferred by sub-section (2) of section 3 of the Indian Companies (Amendment) Act, 1930 (XIX of 1930), is published as required by the said sub-section, for the information of all persons likely to be affected thereby, and notice is hereby given that the said draft will be taken into consideration on or after the 26th July 1934.

Any objection or suggestion which may be received from any person with respect to the draft before the aforesaid date will be considered by the Governor General in Council.

Draft amendments.

1. To sub-rule (1) of rule 3 of the said Rules the following Explanation shall be added namely:—

> "*Explanation.*—Without prejudice to the generality of the reference to any act of misconduct in his professional capacity, the acts specified in the Appendix shall be deemed to be such acts."

2. To the said Rules, the following Appendix shall be added, namely:—

"APPENDIX."

(See Explanation to rule 3 (1).)

List of acts by an accountant subject to these Rules which are deemed to be acts of misconduct in his professional capacity.

(1) Placing of his services at the disposal of an unqualified person or persons who obtain business by means which are not open to accountants subject to these Rules or accountants enrolled on the Register.

(2) Allowing or agreeing to allow directly or indirectly participation by a Solicitor, Broker or other agent, of the profits of his professional work or accepting or agreeing to accept any part of the profits of the professional work of a Solicitor, Auctioneer, Broker or other agent, or any commission or bonus therefrom.

(3) Soliciting directly or indirectly the clients or encroaching upon the business of another accountant.

(4) Accepting a position previously held by some other accountant without making inquires from the latter, why a change of auditor is being sought and without satisfying himself that the circumstances are not such as to make it improper for him to accept the position.

(5) Accepting an appointment made in contravention of Section 144 (6) of the Indian Companies Act, 1913.

(6) Soliciting professional work by letter, by advertising in newspapers or periodicals, by placards, by the distribution of circulars, cards or handbills or by any other like means.

(7) Publishing or sanctioning the publication of reports of work or letters of thanks from clients, or of any kind of laudatory notices with regard to professional matters.

(8) Certifying any accounts, exhibits, statements, schedules or other forms of accountancy work which have not been verified entirely under the personal supervision of himself, a member of his firm, or a member of his staff, or giving estimates as to profits which do not correspond with the facts within his knowledge.

(9) Failure to keep the moneys of his clients in a separate banking accounts exclusively used for the purpose."

T. A. STEWART.
Secy. to the Govt. of India.

Letter No. 1992, dated 2nd August 1934, from Chamber to Government of India, Commerce Department.

With reference to the Commerce Department Notification No. 27 (1)-T-(R-A) dated the 26th May 1934, I am directed by the Committee of this Chamber to submit their views as under:

My Committee are not in favour of draft Rule (1).

My Committee have no objection to Rule (2) but are of opinion that a Registered Accountant should not be debarred from sharing his fees with another Registered Accountant.

My Committee would approve of Rule (3) provided the same did not exclude honest efforts by Auditors to get new work and quoting fees for such work which may be less than those quoted by another Auditor by way of *bona fide* professional competition.

Rule (4) is, as it stands, vague, and requires to be cleared by suitable explanations. Provided this is done, my Committee have no objection to the Rule in an altered form.

My Committee are of opinion that Rule (5) is both unnecessary and not feasible.

They have no objection to Rules (6), (7), (8) and (9.).

In conclusion, my Committee would like to add that while they approve generally of the various rules under reference, they are of opinion that in regard to offences, under these rules, that do not involve moral turpitude, a warning should, in the first instance, be given to parties concerned before removing their names from the Register or taking other drastic disciplinary action.

APPENDIX 82.

Auditors' Certificate Rules and G. D. A. holders.

No. 41 (2)-T. & E, (R. A.).

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE.

Simla, the 22nd October 1934.

NOTIFICATION.

(REGISTRATION OF ACCOUNTANTS.)

The following draft of certain amendments to the Auditor's Certificates Rules, 1932, which it is proposed to make in exercise of the powers conferred by subsection (2) of section 144 of the Indian Companies Act, 1913 (VII of 1913), is published as required by the said sub-section, for the information of all persons likely to be affected thereby, and notice is hereby given that the said draft will be taken into consideration on or after the 5th November 1934.

Any objection or suggestion which may be received from any person with respect to the draft before the aforesaid date will be considered by the Governor General in Council.

Draft amendments.

(1) In rule 21 of the said Rules —

(i) for clause (b), the following shall be substituted, namely :—

"(b) has held for a period of not less than seven years prior to the date of commencement of the Final Examination a restricted certificate granted by a local Government entitling him to as act an auditor within a province," **or**

(ii) after clause (b), the following clause shall be inserted, namely :—

"(c) has appeared and failed at any of the examinations for the Government Diploma in Accountancy, or an examination recognised as equivalent thereto, held in the years 1932, 1933 and 1934."

(iii) at the end the following proviso shall be added namely :—

"Provided that clause (c) shall remain in force up to the 31st December 1937 only."

(2) In rule 25 of the said Rules—

(i) the existing clause (*a*) shall be renumbered as (*a*) (*i*);

(ii) the existing clause (*b*) shall be renumbered as (*ii*)

(iii) after the proviso to clause (a), the following shall be added :—

"or (*b*) has appeared and failed at any of the examinations for the Government Diploma in Accountancy, or an examination recognised as equivalent thereto, held in the years 1932, 1933 and 1934, provided that this clause shall be operative only as regards the Final Examination to be held in the years 1935, 1936 and 1937."

(3) In rule 36 of the said Rules:—

(i) after clause (*a*), the following clause shall be inserted, namely:—

"(*b*) Persons who are admitted to the Final Examination under clause (*b*) of rule 25, and pass it, and whose apprenticeship under the

regulations for the award of the Government Diploma in Accountancy was registered with the Accountancy Diploma Board, Bombay, before the 1st April 1933.....
..three years,"

(ii) the existing clauses (*b*) and (*c*) shall be renumbered as (*c*) and (*d*), respectively.

T. A. Stewart

Secretary to the Government of India.

Letter No. 2845, *dated* 14*th November* 1934, *from Chamber to Government of India, Commerce Department.*

I am directed to refer to the Government of India, Commerce Department, Notification No. 41 (2)-T & E. (R.A.) dated 22nd October 1934, and to say that my Committee approve of the draft amendments to the Auditor's Certificate Rules, published therewith.

APPENDIX 83.

Licensing of Cotton Gins and Presses.

Letter No. 2173, *dated* 23*rd August* 1934, *from Chamber to Government of India.*

The attention of this Chamber has been drawn by the Indian Central Cotton Committee and the Bombay Millowners' Association to complaints regarding malpractices such as watering etc., said to be resorted to by some cotton gins and presses in various parts of the country, and I am directed to address Government in the matter as under.

My Committee recognise that there is a concensus of opinion and pressure from quarters such as the Indian Central Cotton Committee, and the Bombay Millowners' Association in regard to the desirability of amending the Indian

Cotton Ginning & Pressing Factory Act with a view to provide the necessary safeguards against—such malpractices. In view of this my Committee would not like to oppose the principle of legislation for the licensing of Cotton Gins and Presses for the purpose. They, however, would like to see the detailed scheme regarding such licensing before they can give their final approval to the same. My Committee would also like to emphasise the necessity of affording sufficient opportunities to all the interests and commercial bodies for discussing the detailed scheme.

They would urge, therefore, that in no circumstances any legislation on the subject should be passed until the relevant bill was circulated for public opinion and until genuine and *bona fide* difficulties of owners of gins and presses had been adequately realised and provided for.

APPENDIX 84.

(1) Eligibility of Commercial Associations for membership of the Federation.

(2) Qualifications for members of the Committee of the Federation.

Letter No. F. 174, *dated* 12*th March* 1934, *from Federation to Chamber.*

I am directed to draw your particular attention to item No. 5 of the Agenda of the annual session, circulated to you under separate cover. It refers to certain questions relating to the revision of the constitution of the Federation, such as:—

(a) Eligibility of commercial Associations for membership of the Federation, and

(b) Qualifications for membership of the Committee of the Federation.

Both these questions are of primary importance to the working of the Federation as the central organisation representing Trade, Commerce and Industry in India. It is

felt that certain definite principle should be laid down as to what Associations should be eligible for membership of the Federation. When this question was discussed by the Committee at their last meeting held in Bombay in February last, some of the members felt the necessity of laying down a rule that only such commercial associations be eligible for membership of the Federation as actually represent Trade, Commerce or Industry in the Country; while some members felt that there should be no such restrictions for membership of the Federation. Looking to the importance of the subject the Committee felt that it would be appropriate to approach the General Body of the Federation for an expression of its views on this particular question and in accordance with the Committee's desire the item is put on the Agenda of the annual meeting for discussion.

The second question connected with the revision of the constitution is the qualifications which a person desirous of serving on the Committee of the Federation should possess. This question was circulated along with other suggestions relating to the revision of the constitution to the Member-Bodies but it was felt that the implications of this suggestion were not subjected to serious consideration by the Member-Bodies, and therefore it was thought desirable to ascertain the views of the General Body on this question also. The clause which the Committee suggested to the Member Bodies runs as under:—

> "For the election of Office Bearers and Members of the Committee, only such representatives of the ordinary members shall be entitled to stand for election to the Committee **as are actively engaged in Trade, Commerce or Industry.**"

The clause does not restrict the freedom of the Member Bodies to elect as their representatives to attend the annual meeting even such persons as are merely interested in Trade, Commerce or Industry, though not actively engaged in any one of the these interests. But the clause lays down a definite principle that the Committee of the Federation should

be composed of persons who are actively engaged in any of these three interests.

It should be borne in mind that the Committee of the Federation is a body entirely on a different footing from the Committees of the various provincial chambers or commercial associations and it would be inappropriate to suggest that an All-India General Body like the Federation representing the Country's Trade, Commerce and Industry, should have on its Committee, persons who are not in Trade, Commerce or Industry. The principle underlying this suggestion is the same as that which excludes people other than lawyers or doctors from the Bar Association or the Medical Association. I am therefore directed to request you to place this question with all its implications before the Committee of your Chamber Association with a view to ascertain their definite opinion on this question. As this question is coming up before the annual meeting you are further requested to suggest to your Committee the desirability of giving suitable instructions to your representatives to support your view at the annual session.

I shall much appreciate if you will be good enough to forward your Committee's views on the above two points to reach me not later than Saturday the 24th instant.

Letter No. 723, dated 20th March 1934, from the Secretary, Indian Merchants' Chamber, Bombay, to the Secretary, Federation of Indian Chambers of Commerce & Industries.

"I am directed to acknowledge receipt of your letters Nos. 172, 174, 176 and 180 dated the 12th March 1934 and to give the views of the Committee of this Chamber hereby:

1. In regard to the question of the coming Reforms, my Committee are of the following opinion:

It is the considered opinion of the Committee of the Indian Merchants' Chamber that inasmuch as the report of the Joint Select Committee is not yet out and the constitution is still in the melting pot, it would be neither statesman-

ship nor political to express any opinion about the nature of working or otherwise of the coming Reforms, and that any expression of views in favour of working the reforms at this stage may cause an incalculable harm to the best interests of the country.

2. Eligibility of Commercial Associations for Membership of the Federation:

My Committee are of opinion that the present rule regarding the admission of members is quite satisfactory, and that the Shareholder's Association of Bombay,who have applied for membership of the Federation should be deemed eligible under this rule for being admitted as a member of the Federation.

3. Qualifications for membership of the Committee of the Federation :—

My Committee are in favour of the present rule 14 and do not consider that any change is necessary with regard to the same. They are opposed to any change being effected in the present rule.

4. Sir Purshotamdas Thakurdas, Kt., and Mr. A. D. Shroff will speak on the following questions:

a) Economic Distress & Revival;

b) Indian Companies Act.

5. My Committee have no remarks to offer regarding the Agenda."

APPENDIX 85.

Procedure re: recommendation of names for the Employers' Delegation to the International Labour Conferences.

D. O. No. F. 955 from Mr. Nalini Ranjan Sarker, President of the Federation to Mr. Mathuradas Vassonji, Vice-President of the Chamber.

You remember for the last three years the Government of India, while issuing a communique calling upon employers'

organisations to suggest names for their consideration for nomination of Employers' Delegate to Labour Conference, have insisted that only such associations will be regarded as representative of employers as include amongst their functions that of dealing with interest of employers as such, that is, regulating conditions of employment. In 1931 when such a clause was inserted in the communique, the Federation as well as many of its affiliated Member-Bodies lodged a protest with the Government of India against this particular clause as it would deprive many a chamber and association in the country of the privilege to suggest names for nomination of Employers' Delegate. The Government of India then replied that though they could not prevent any organisation from claiming to speak in the name of employers and from recommending names for nomination, they would have the final recommending names for nomination, they would have the final voice to determine whether any particular association came within the requirements of the Treaty of Versailles under which the Labour Organisation came into existence. In a further demi-official communiction to the then President, the Hon'ble Sir Joseph Bhore, the then Member for Industries and Labour, replied that ordinarily a chamber of commerce was not a representative organisation of industrial employers even if some of the members happen to be employers. The Government of India were again addressed in May 1932 to recognise the privilege of the provincial chambers which they so far enjoyed about recommending names for nomination of non-Government Delegates. The Government of India replied that they were unable to accept the statement of the position taken up by the Federation. In 1932, the communique issued by the Government of India for the 17th Session of the Labour Conference was also on the same lines as that issued for the 16th Session.

Owing to this new situation arising out of the Government communiques, the Committee of the Federation in 1932 authorised their President, Mr. Walchand Hirachand, to organise an All-India Body representative of industrial employers in the country and as you know, in December

last,the All-India Organisation of Industrial Employers was launched into the world to represent industrial employers for the purpose of considering all matters relating to International Conferences. You also know how a rival body was immediately organised by Mr. Mody with the help of the Hon'ble Sir Edward Benthal and other European employers of labour from Calcutta. The Hon'ble Sir Frank Noyce, Member for Industries and Labour, called a Conference in March last at which the Federation, the A. O. I. E. and the Bombay Millowner's Association and Jute Mills, coal and Tea Association of Calcutta—the latter four bodies forming Mr. Mody's Employers' Federation of India-met and at which the A. O. I. E. and the Employers' Federation have come to an understanding unofficially that they will jointly decide upon a name to be recommended to Government for nomination of Employers' Delegate.

When the Government communique dated 26th September 1933 was issued, the office of the Federation inquired of the Member-Bodies whether they have any particular name to suggest as Employers' Delegate to the 18th Session. All the suggestions received from Member-Bodies in compliance with this request were forwarded to Mr. Walchand Hirachand, the President of the A. O. I. E. with a view to acquaint him with the suggestions made by the Member-Bodies of the Federation in this connection.

Mr. Walchand Hirachand, President of the A.O.I.E. now informs me that both the A. O. I. E. and the Employers' Federation have agreed to recommend the name of Seth Kasturbhai Lalbhai, Vice-President of the Ahmedabad Millowners' Association, to Government for nomination of Employers' Delegate to the 18th Session of the Labour Conference. Really speaking, under this arrangement it leaves the Federation no choice about the nomination of Employers' Delegate to Labour Conferences in future but as the office of the A. O. I. E., will always be with the Federation, there will be a link maintained unofficially between the A. O. I. E. and the Federation in matters connected not only with the nomination of Employers' Delegate to Labour

Conferences but also in such other matters which will be referred to the A. O. I. E. by Government for purposes of opinion relating to employers' interests in India. I understand that in all other industrially-developed countries such organisations of employers separately exist and function as such in advising Government in matters such as nomination of employers' delegate and advisers to such Conferences and other international bodies. I am sure you will realise the situation newly created since December last by the organisation of two bodies representing industrial employers in the country and will recommend to your Committee the name of **Seth Kasturbhai Lalbhai** —which is jointly supported by both the Organisations—for support at the hands of your Committee as the Employers' Delegate to the 18th Session of the International Labour Conference and will communicate to the Government of India in the Department of Industries and Labour accordingly before 31st December, 1933.

D. O. Letter dated 20th December 1933, *from Mr. Mathuradas Vissonji to Mr. N. R. Sarker, President of the Federation.*

I have received your D. O. No. 955 of the 12th instant. It was considered by the Committee of the Chamber at their meeting held yesterday. They feel that your letter involves some vital issues of principle and it also concerns intimately the interests of different Chambers of Commerce in the country. I shall be writing to you at length in reply to the same in the beginning of the next month. In the meanwhile, my Committee feel that they cannot, at this stage, go back upon their recommendation of Raja Bahadur Govindlal Shivlal as Delegate of Indian Employers to the 18th International Labour Conference, specialy when there is no regualar election and the selection has apparently been made by two outside bodies. I hope you will kindly appreciate this situation.

D. O. Letter dated 17th February 1934, *from Mr. Mathuradas Vissonji to Mr. N. R. Sarker, President of the Federation.*

I am writing this letter in continuation of my letter of the 20th December 1933. The right of sending nominations for Delegates and their advisers to the International Labour

Conferences is being enjoyed by the Indian Chambers of Commerce and Commercial Associations since 1927. The Government of India in their nominations were guided by a majority of votes and the recommendations of Indian commercial bodies were accepted for a number of years. It is true that two years back the Government of India began to find out excuses that Chambers of Commerce were not the organisations of employers contemplated under the Treaty of Versailles. To meet this contingency, several commercial institutions changed their Articles of Association, though they did not accept the contention raised by Government. Our Indian Merchants' Chamber, for instance, has got some of the largest employers of labour on its list of members.

My Committee note with regret from your letter that constituent bodies of the Federation will now be practically deprived of this valued privilege and the whole authority for recommending the names of the Employers Delegation will be practically transferred to the Presidents of the newly started body, A. O. I. E. and the Employers' Federation. The situation which has arisen will not be acceptable to the Indian commercial organisations and the only way out appears to my Committee to be that the President of the A. O. I. E. should give an undertaking, it may be by a convention, that he will recommend such Delegates and their Advisers as are recommended by a majority of Member-Bodies of the Federation. My Committee have, therefore, to suggest you that you should write to the President of the A. O. I. E. recommending to him to adopt this line of action which would reassure Member-Bodies of the Federation regarding their retention of the privilege they have hither to been enjoying.

D. O. Letter No. F. 220, dated 22nd March 1934, from Mr. N. R. Sarker President of the Federation to Mr. Mathuradas Vissonji, President of the Chamber.

With reference to your D.O. letter dated 17th February, 1934, which was the subject matter of discussion at the last meeting of the Committee, I am forwarding to you a draft of the procedure to be followed in connection with the

recommendation of names for the nomination of Indian Employers' Delegation to International Labour Conferences and to suggest that the same should be placed before your Committee for their consideration. I shall be glad to consider whatever suggestions they may have to make in the procedure. I am asking the office to send a copy of this proposed procedure to the other two Member-Bodies, namely, the Indian Chamber of Commerce, Lahore, and the Karachi Indian Merchant's' Association, Karachi with a view to ascertain their opinion in the matter as these two Bodies have also tabled a resolution for consideration at the Annual Meeting on the subject.

I would refer you to a remark in the last paragraph of your letter reading "as are recommended by a majority of the Member-Bodies of the Federation " and am to say that you seem to be labouring under some wrong impression about the double election procedure. The double election procedure was never followed in the past with regard to the recommendations of names by the Federation, as it is only restricted to such cases where the Federation is approached by Government to elect representatives for appointment on their Committees or Commissions. In case of Indian Employer's Delegation, it was a mere recommendation from the Federation and as such the procedure followed in the past has been to ascertain the wishes of the Member-Bodies as regards the names to form the personnel and then it was the Executive Committee or the President authorised by the Executive Committee who used to finally select the names from those suggested by the Member-Bodies. The double procedure was never followed as this was merely a case of recommendation.

An early reply will be very much appreciated.

Procedure to be followed in connection with the recommendation of names for the nomination of Indian Employers' Delegation to the International Labour Conferences.

(1) On the issue of the press communique announcing the dates for the Labour Conference and

calling upon the Employers and Labour Organisations to suggest names for nomination of their Delegations, the Federation shall, by a circular letter, ascertain from the Member-Bodies whether they have any names to suggest for the consideration of the Committee of the Federation;

(2) On receipt of such names from the Member-Bodies, the Committee of the Federation, either at their next meeting or by circular, shall select name or names of persons to form the Indian Employers Delegation;

(3) The Federation, through its President, shall forward such selected names to the President of the A. O. I. E. for approval by the Employers' Organisations.

D. O. Letter No. 810, *dated 28th March* 1934, *from Mr. Mathuradas Vissonji, President of the Chamber to Mr. N. R. Sarker, President of the Federation.*

Your D. O. letter No. F. 220, of the 22nd March, enclosing a copy of the procedure to be followed in connection with nomination of Indian Employers' Delegations to International Labour Conferences, was considered by my Committee at their meeting yesterday. While the Committee approve of the procedure in general, they are of opinion that after the word "persons" in the last line, in the second paragraph, the words "as are recommended by majority of Member-Bodies of the Federation" should be added.

D. O. Letter No. F. 915, *dated 11th October* 1934, *from Mr. Kasturbhai Lalbhai, President of the Federation to Mr. Mathuradas Vissonji, President of the Chamber.*

Your D. O. letter No. 810 dated 20th March 1934 regarding the procedure to be followed by the Federation in connection with nomination of Indian Employers' Delegation to Labour Conferences was considered by the Committee

at their meeting held in Bombay on the 29th September 1934. The Committee decided that in view of the arrangements arrived at which would secure nomination of Indian Employers' Delegation it was not practicable to adopt the suggestion made by your Committee.

APPENDIX 86.

Nomination of Employers' Delegation to the 19th International Labour Conference.

GOVERNMENT OF INDIA

DEPARTMENT OF INDUSTRIES AND LABOUR.

Dated Simla, the 3rd October 1934

PRESS COMMUNIQUE.

As at present arranged the 19th Session of the International Labour Conference will be held at Geneva in May-June 1935 when the following subjects will be on the agenda:–

I. Maintenance of acquired rights and rights in course of acquisition under invalidity, old-age, and widows' and orphans' insurance on behalf of workers who transfer their residence from one country to another.

II. Employment of women on underground work in mines of all kinds.

III. Unemployment among young persons.

IV. The recruiting of labour in colonies and other territories with analogous conditions.

V. Holidays with pay

The first two subjects were discussed at the 18th session held in June 1934, and will be for final consideration; the fourth and fifth subjects will come up for first discussion; while the third subject will be for first or final discussion.

2. The delegates representing each Member State at the Conference include two Government Delegates, one Employers' Delegate and one Workers' Delegate. Advisers can be appointed for each group according to necessity and circumstances. The duty of nominating the personnel of the entire Indian Delegation rests with the Government of India who, under the terms of the Treaty of Versailles, have undertaken "to nominate non-Government Delegates and advisers chosen in agreement with the industrial organisations, if such organisations exist, which are most representative of employers of workpeople as the case may be." An association will be regarded as representative of employers only if it includes among its functions that of dealing with the interests of employers as such (e. g. regulating conditions of employment). The mere fact that the membership of an organisation maintained for other purposes (e. g. protection and regulation of the commercial interests of its members) includes a number of industrial employers is not in itself sufficient to give that organisation a claim to consideration in the present connection.

3. All suggestions relating to the nomination of non-Government Delegates and their Advisers should reach the Secretary to the Government of India in the Department of Industries and Labour as early as possible and, in any case, not later than the **31st December 1934.**

4. Allowances (on a scale which can be ascertained by application to the Department of Industries and Labour) will be granted by Government to defray the expenses of the Delegates and any Advisers finally nominated.

Press Communique.

Dated New Delhi, the 10th December 1934.

In a Press Communique dated the 3rd October 1934 it was announced that the following subjects would be on the agenda of the Nineteenth Session of the International Labour Conference to be held at Geneva in 1935:—

I. Maintenance of acquired rights and rights in course of acquisition under invalidity, old-age, and widows' and orphans' insurance on behalf of workers who transfer their residence from one country to another.

II. Employment of women on underground work in mines of all kinds.

III. Unemployment among young persons.

IV. The recruiting of labour in colonies and other territories with analogous conditions.

V. Holidays with pay.

The Government of India have now received intimation that the agenda of the Conference will also include the following subject :—

> "Reduction of Hours of Work." In addition, the Governing Body of the International Labour Office have under consideration the placing on the agenda of the question of the partial revision of the Hours of Work (Coal Mines) Convention, 1931. A decision in this connection will be taken by the Governing Body at their next meeting to be held in January 1935.

The 4th June 1935 has been fixed as the date for the opening of the Nineteenth Session of the Conference.

Letter No. 1, *dated 2nd January* 1935, *from Chamber to the Government of India, Department of Industries and Labour.*

I beg to confirm the telegram sent to you today recommending the following names for the Employers' Delegation to the 19th International Labour Conference:—

Delegate:—

Mr. Hooseinbhoy A. Lalljee,
Merchant and Landlord, Bombay.

Advisers :—

1. Mr. K. Dutt,
   C/o The Indian Mining Federation,
   CALCUTTA;

2. Mr. P. S. Sodhbans,
   Hony. Secretary, Indian Chamber of Commerce, LAHORE;

3. Mr. I. D. Varshnie,
   U. P. Glass Works, BAHJOI, U. P.; and.

4. Mr. Sarabhai Prataprai,
   C/o The Indian Merchants' Chamber,
   BOMBAY.

V. GENERAL.

APPENDIX 87.

Attitude of the Indian Commercial Community towards the coming Constitutional reforms.

Letter No. 172, dated 12th March 1934, from the President of the Federation of Indian Chambers of Commerce and Industry to Chamber.

In forwarding the draft resolutions for consideration at the ensuing annual session of the Federation, a suggestion has been made by some Member-Bodies that the Federation should adopt a suitable resolution in regard to the attitute which it should take in connection with the working of the coming reforms. The suggestion was duly considered at the last meeting of the Executive Committee at Bombay and the points that arose related both to the attitude which the Federation should take in the matter as well as to the necessity of making that attitude known just now. Members of the Committee expressed divergent views and it was decided that a resolution on the subject should be placed before the meeting of the Federation. The matter, however, being regarded as one of great concern to the commercial community it was considered proper to consult the views of all the member bodies. I am, therefore, requesting you to communicate your considered opinion on the subject to the Secretary of the Federation after taking into account the views taken on it by the Members of the Executive Committee which are set forth below:—

There is one view which suggests that the Federation should declare itself in favour of working the reforms and by so doing not only make its attitude known to the public and the Government but also to afford the Indian Commercial Community an opportunity to give a lead in the matter.

There is another view which disapproves of the idea of passing any such resolution on the ground that the Federation having never avowed a policy of non-co-operation no

cause has arisen at this moment to make any announcement of the nature suggested. Advocates of this view contend that the Federation was not responsible for the allofness of the Government from the Federation during recent years and that any misunderstanding that may have been created should since have been extenuated by the co-operation of the Federation, sought and given in various recent fiscal and commercial discussions, e. g. the Indo-Japanese trade negotiations.

Besides this it is also contended that the White Paper itself just now is in the melting pot in as much as the Joint Parliamentary Committee is considering the same and that until the Bill is before the Parliament it would be neither statesmanship nor politic to express any opinion about the working or otherwise of the coming reforms. In fact, any expression of views in favour of accepting the White Paper Scheme at this stage may even create an impression that the Indian mercantile community is anxious to accept any reforms however unsuitable for Indian conditions they may be, and this may cause an incalculable harm to the political cause of the country.

I shall be glad if you kindly let me know by Saturday the 24th instant your considered views as per above alternatives, and also whether you would like the Federation to discuss the question at all at this stage or not.

Letter No. 723, dated 20th March 1934, from the Secretary, Indian Merchants' Chamber, Bombay, to the Secretary, Federation of Indian Chambers of Commerce and Industry, Calcutta.

"I am directed to acknowledge receipt of your letters Nos. 172, 174, 176 and 180 dated the 12th March 1934 and to give the views of the Commitee of this Chamber hereby:

1. In regard to the question of the coming Reforms, my Committee are of the following opinion;

It is the considered opinion of the Committee of the Indian Merchants' Chamber that inasmuch as the report of the Joint Select Committee is not yet out and the constitution is still in the melting pot, it would be neither statesmanship nor political to express any opinion about the nature or working or otherwise of the coming Reforms, and that any expression of views in favour or working the reforms at this stage may cause an incalculable harm to the best interests of the country.

2. Eligibility of Commercial Associations for Membership of the Federation:

My Committee are of opinion that the present rule regarding the admission of members is quite satisfactory, and that the Shareholders' Association of Bombay, who have applied for membership of the Federation should be deemed eligible under this rule for being admitted as a member of the Federation.

3. Qualifications for membership of the Committee of the Federation:

My Committee are in favour of the present rule 14 and do not consider that any change is necessary with regard to the same. They are opposed to any change being effected in the present rule.

4. Sir Purshotamdas Thakurdas, Kt., and Mr. A. D. Shroff will speak on the following questions:

a) Economic Distress and Revival;

b) Indian Companies Act.

5. My Committee have no remarks to offer regarding the Agenda."

APPENDIX 88.

Recommendations of the Joint Parliamentary Committee.

Letter No. 3029 dated 12th December 1934, from Chamber to Government of India, Reforms Department.

I am directed by the Committee of this Chamber to send to you hereby their views on the Report of the Joint Parliamentary Committee on Indian Constitutional Reforms.

My Committee have considered the Report of the Joint Parliamentary Committee. The Report is much more reactionary than the White Paper, the scheme outlined in which, my Committee observed, definitely fell short of the pledges repeatedly given by His Majesty's Government to frame for India a Constitution as near as possible to that of a Dominion within the British Empire with such safeguards for a transitional period as may be shown to be demonstrably in the interests of this country. If the White Paper scheme fell, thus, far short of the demands of the Indian people, the Report of the Joint Parliamentary Committee errs even much more in this regard. The object underlying it is, obviously, not to allay fears and suspicions of Indians, nor to assure them that the pledges given to them would be ratified in near future; but to allay the fears and suspicions of British people and to assure them that the transfer of real political power was not to be affected by the Report and that the grip of Great Britain over India was not to be loosened as yet. Those who have followed discussions since 1930, whether in the different Round Table Conferences or in the Houses of Parliament or in the Joint Parliamentary Committee or on different political platforms in Great Britain, cannot but have been struck by the fact that the last thing contemplated by responsible British politicians, of all parties, was any genuine transfer of political power. The Montagu-Chemlsford Report, halting though it was, laid down a limit of ten years for the next revision and advance. This period was interpreted by the

British Government and the local bureaucracy as preparation for a case against any political development by this country. It was because of this that an all-White Commission was appointed to report, and following the report every effort was made to cement the foundations of the existing system of Government and no loophole was allowed to remain permitting of the slightest chance for India to secure genuine Self-Government. This anxiety explains how all successive efforts at so-called constitution-making for this country have proved progressively reactionary.

One *sine qua non* of every self-governing country, is control over Finance, Currency and Tariffs, and the freedom to develop its trade and industries. The Report of the Joint Parliamentary Committee has, on the contrary, taken all pains to hedge round this freedom with so-called "Safeguards," with the result that it is not the development of Indian trade and industries so much as the development of British trade and industries which is assured.

The so-called Fiscal Convention, though it had its limitations and though recently there was a tendency on the part of the Secretary of State for India to depart from it, was still some assurance to the Indian industries that any protection given to them, if it had the joint approval of the Indian Legislature and the Government of India, would not afterwards be tampered with by the Imperial Government. It means that India had at least the right, fettered though it was by the discretion of the local bureaucracy to interfere with it, to develop her industries in the best way she could. The Report of the Joint Parliamentary Committee has now placed an axe at the very roots of this right and all its implications. The Fiscal Convention is thus laid to rest, while the Joint Parliamentary Committee pay a lip homage to the present position by saying:

> "We contemplate no measures which would interfere with the position attained by India as an integral part of the British Empire to the Fiscal Convention."

They follow it up with observations which leave no doubt that the liberty of India to develop her industries in her own way is seriously threatened, or perhaps, is put an end to altogether. They want to provide for the prevention of measures "legislative or administrative," which would subject British goods imported into India from the United Kingdom to discriminatory or penal treatment. The Joint Parliamentary Committee affect to make it clear that "the imposition of this special responsibility upon the Governor General is not intended to affect the competence of his Government and of the Indian Legislature to develop their own fiscal and economic policy;" etc. But the commercial community will not, naturally, be taken in by such efforts. The real meaning of their recommendation is, as they themselves have put it, that the special responsibility of the Governor General includes: "both direct discrimination whether by means of different tariff rates or by means of different restrictions on imports, and indirect discrimination by means of differential treatment of various types of products," Every country, in modern times, which wants to develop its trade and industries, resorts to the principal weapon in its armoury, viz. manipulation of tariffs to suit its own economic needs. Shorn of all its verbiage, the recommendation of the Joint Parliamentary Committee amounts to nothing less than this: that India alone, of all the countries in the world, is to be denied this fundamental right and privilege to manipulate tariffs in the interests of her trade and industries.

The Joint Parliamentary Committee Report is nothing, if not thorough in its recommendations to complete the process of economic bondage for this country. While this country has never been economically free, and while it was to achieve this economic freedom that the commercial community has been fighting for the last several years, a complete, systematic and scientific economic bondage has been provided for in an organised manner by the Joint Parliamentary Committee. Having tabooed all attempts on the the part of India to use her tariffs for the development of her trade and industries, the Joint Parliamentary Committee

report provides for the other issue also, viz, "prevention of discrimination against British trade in India." The Report provides for discrimination of both the sorts, administrative or legislative. The White Paper did not lay down in so many words the exact directions in which this anti-discriminatory administrative or legislative action should be taken; but the Report here also improves upon the White Paper by providing these remedies. In the first place, it is stipulated that

1) no law restricting the right of entry into British India should apply to British subjects domiciled in the United Kingdom;

2) no law relating to taxation, travel and residence, the holding of property, the holding of public office, or the carrying on of any trade, business or profession in British India, should apply to British residents domiciled in the United Kingdom, in so far as it imposes conditions or restrictions based upon domicile, residence or duration of residence, language, race, religion or place of birth.

All this relates to individuals. With regard to Companies, the recommendations are carried still further. They are:—

"352. As regards companies, we are of opinion (1) that a company incorporated now or hereafter in the United Kingdom, should, when trading in India, be deemed to have complied with the provisions of any Indian law relating to the place of incorporation of companies trading in India, or to the domicile, residence or duration of residence, language, race, religion, descent or place of birth of the directors, shareholders, or of the agents and servants of such companies; and (2) that British subjects domiciled in the United Kingdom who are directors, shareholders, servants or agents of a company incorporated now or here-

after in India should be deemed to have complied with any conditions imposed by Indian law upon companies so incorporated, relating to the domicile, residence or duration of residence, language, race, religion, descent or place of birth, of directors, shareholders, agents or servants."

The Commercial community has been very anxious for the development of Indian shipping. The Government of India have also, to some extent, been sympathetic, and it is quite likely that India would have got a measure of protection for her Shipping, if this report of the Joint Parliamentary Committee had not come in. The Joint Parliamentary Committee now recommend that it should be enacted that ships registered in the United Kingdom are not to be subjected by Law in British India to any discrimination whatsoever, as regards the ship, officers or crew, or her passengers or cargo, to which ships registered in British India would not be subjected in the United Kingdom. Not only this, but it appears that any bounties or subsides, which may be given to any Indian concerns shall also have to be given to similar British concerns established in this country. These recommendations specially made in para 352, make it entirely clear that Indian trade and Industries will have no protection vouchsafed to them, either in the shape of tariffs or in any other shape. British concerns will be ligible for establishing themselves in this country and irrespective of the fact whether they are also registered here and whether they fulfil all the conditions laid down in the Report of the External Capital Committee, they will have the fullest mesaure of liberty to compete with Indian concerns. The Committee of this Chamber, being interested in the development of Indian trade and industries, register their strongest and most emphatic protest against the manner and method in which all these questions relating to commercial discrimination have been dealt with in the Joint Parliamentary Committee Report.

The Joint Parliamentary Committee recommend, obviously, as a panacea for all the evils that may result from

their recommendations, that the United Kingdom and India must approach their trade problems in a spirit of reciprocity, meaning obviously, that certain trade agreements may be entered into between the two countries. My Committee are not at all hopeful about such agreements, as the United Kingdom being the senior partner, and a much stronger partner, India will have always to go to the wall. In para 353, the Joint Parliamentary Committee again refer to some sort of reciprocity between the two countries. Their idea is that if the United Kingdom initiates certain restrictions on Indians living in that country, India may do the same likewise with regard to British subjects living in India. My Committee suggest that a contrary arrangement may be, perhaps, much more fair, equitable and practicable that India should have the initiative of placing restrictions, taking the risk that corresponding restrictions might be placed by the United Kingdom.

The portion in the Report of the Joint Parliamentary Committee about Indo-Burmese relations, apart from the proposed separation, to which my Committee are strongly opposed, is also extremely inequitable and unjust towards Indians. The Suggestion that the future Government of Burma should have the right of discriminating even against the entry of Indians in Burma, but should not have the same right against the entry of people with British domicile is most sinister. While India will have no right whatsoever of discriminating against the entry of people with British domicile, Burma will have the right of differentating against Indians. The Joint Parliamentary Committee do not rest content with this recommendation; they are anxious about people with British domicile, who are at present trading in Burma and whose position may be deemed to be a little bit doubtful visavis India. They, therefore, observe that it would evidently be inequitable if after the separation of Burma, such people are in a less favourable position in respect of the operations in British India than a company established at the same time and under the same conditions in, say Bombay or Bengal. Evidently, the rule that: "Heads we win; tails you

lose," has been carried to its most logical extremes by the people who have put down their signatures to the Joint Parliamentary Committee Report.

Writing, again, about Burma, there are quite uncalled-for comments against Indian money lenders, whom it has become now-a days fashion to traduce for their legitimate operations in the Colonies and British Possessions. Thus, it is said: "others are Indian money lenders, who advance moneys on the security of agricultural land and crops and whose operations specially in times of depression are such as to bring about an extensive transfer of ownership from an indigenous agricultural population to a non-agricultural non-indigenous class." It is surprising that while sentiments are expressed about Indian money lenders, nothing is written about the British banking corporations in India itself, who have, during all these years, not shown a philanthropic attitude in their bussiness activities, and who have, rather, been more or less noted for the encouragement they have given to non-Indian concerns, even at the expense of Indian trade and industries. After all whether it is big British banking corporations or small Indian money lenders, they should be ranked under the same category. The Joint Parliamentary Committee have not forgotten the poor, half-starved Indian workers, who are tempted to Burma mostly by the big industrial corporations. They are liable, as people, who by accepting smaller wages, to oust indigenous labour and lower its standard of living. It is most reprehensible that such a sort of propaganda aiming at racial warfare should have found admission in the Report of responsible Committees.

With regard to Aden, the Committee of the Chamber are surprised that after all the protestations of sympathy and promises from high quarters, Aden has been separated from India. They are taking keen and deep interest in this question for years. They protested vainly against the transfer of Aden from the Bombay Provincial Government to the Central Government, and even then they expressed their

fears that, that transfer was but a prelude to the ultimate transfer of Aden to the Imperial Authorities. Their fears are now justified. They, therefore, take this opportunity of expressing their strong dissent and protest of the Commercial community with regard to this transfer.

My Committee consider that the Report of the Joint Parliamentary Committee cannot, for all these reasons, be welcomed even as a small step towards Self Government and that, being reactionary and retrograde, they feel it their duty to advise the Commercial community to reject it as unacceptable.

Resolution passed by the Special General Meeting of the Chamber held on 12th February 1935.

RESOLUTION.

"This Special General Meeting of the Indian Merchants' Chamber is of opinion that the proposed scheme of Constitution for government of India is conceived in a spirit of Imperialist domination and economic exploitation and transfers no real power to the people of Inda. The effect of financial and commercial safeguards through reserve powers of Governor-Genral and Governors will paralyse Indian Legislatures and Ministers and prevent all effective action for securing India's economic prosperity. The acceptance of such a Constitution will retard, instead of furthering, the political and economic progress of India."

APPENDIX 89.

Press statement issued by the Committee re: Inter-Provincial feelings, dated 29th March 1934.

"The Committee of the Indian Merchants' Chamber (Bombay) have noticed with grave concern that the recent financial statement presented to the Legislative Assembly by the Hon'ble the Finance Member to the Government of India has again given rise to inter-provincial jealousies

and bickerings. One of the budget proposals was that Excise duty should be levied on matches, thereby enabling the Central Government to remit half of the proceeds of the export duty on jute to Bengal and other provinces such as Bihar & Orissa and Assam. There was a protest meeting held in Bombay on 2nd March 1934, convened by the Sheriff, when the following resolution was passed:—

> "Bombay's claim to a more generous recognition of her financial needs has been repeatedly pressed in recent years. Equilibrim is now further threatened by recent and rapidly growing developments in the diversion of trade from the port of Bombay. This can only be met by measures which will involve a serious deficit in the provincial budget and this meeting submits that Bombay has no less strong a claim than the other provinces selected for relief to assistance in meeting what threatens to become a menace to her economic existence."

Our friends in Bengal are greately exercised over this meeting and some hard words have been indulged in on the other side regarding the attitude of Bombay who, it is alleged, is inspired by jealousy. The Committee of the Chamber do not think that Bombay citizens have been actuated by jealousy in their protest. Facts are quite the contrary. All that Bombay wants is equitable and fair treatment for herself. She does not grudge anything being allotted to Bengal, but wants that something should be allotted to herself for relieving her wants and needs. The Committee made this clear in a statement they issued regarding the Budget proposals on the 3rd March.

> "The Committee have no objection to relief being given to the finances of Bihar, Bengal and Burma for reasons which may have appeared to Government adequate; but they must point out that grave injustice is being done in omitting any relief to Bombay, which is long overdue. Heavy new taxes have been imposed in Bombay during the last few years and

there is going to be inevitable loss to the Government of Bombay in respect of Town Duty on Cotton. The Committee would like to impress on Government the fairness of the claim of Bombay which was heavily penalised by the Meston Settlement."

The commercial attitude will be clear also from the following passage which occurs in the speech of the President of the Bombay Chamber of Commerce at its Annual General Meeting:—

"As you may have seen, I recently took part in the proceedings of a public meeting called by the Sheriff of Bombay for the purpose of ventilating, in the light of the relief now proposed to Bengal, Bombay's claims to more generous financial treatment. I did so with some misgivings, but with the idea that a resolution on this matter might otherwise be moved with less sense of responsibility and in terms less moderate, which might merely lead to acrimonious argument as between Bombay and Bengal. In proposing the resolution, I studiously endeavoured to avoid anything remotely resembling an attack on Bengal, and to confine the issue to presentation of the claims which this Presidency also has for financial help. That being so, I am sorry to see that the purport of the Bombay meeting has been misinterpreted in some quarters in Calcutta where a counter meeting of protest against Bombay's action was held last week. In more responsible quarters, however, and notably in the pages of "Capital," the reasonableness and moderation of the Bombay view, as I endeavoured to state it, is recognised. I hope that similar recognition will be accorded by the Government of India, and this is a point on which His Excellency may have something to tell us as the result of his recent visit to Delhi."

The Committee of the Indian Merchants' Chamber give below extracts from the speeches of the President of the Chamber at the last Annual General Meeting held on

Saturday, the 27th January 1934, and at a reception to Dr. B. C. Roy on the 28th December 1933, to show their general attitude regarding the inter-provincial jealousies.

> '..... With regard to issues which were national in character there could not be, and should not be, any provincial views and that provincialism would be the greatest impediment in the way of national progress. I have to acknowledge the great help rendered by my friend Mr. Nalini Ranjan Sarker, President of the Federation of Indian Chambers of Commerce & Industry, and the Bengal National Chamber, who worked ceaselessly and unremittingly and is even now doing so for bringing about a better feeling between Bombay and Bengal. It is not only with regard to important questions like Currency & Exchange Policy, Reserve Bank, etc., but also as regards several other issues that the provincial considerations are likely to be exploited by interested parties, and it behoves all of us to see that we do not allow this new cancer to have its growth as we have already allowed the cancer of communalism which is sapping away the vitality of the Nation as a whole.'

At the reception to Dr. B. C. Roy, the President of the Chamber observed as follows:—

> '..... It is highly necessary for us in Bombay to do our best to assure our friends in Bengal that Bombay does not, and will not, wish any ill to Bengal and that she will always be prepared to stand shoulder to shoulder in many an economic and industrial battle of India..... It is because of this that we need hardly tell you, Dr. Roy, how very much we appreciate your presence here which, we hope will lead to the establishment of friendly and cordial relations between Bombay and Bengal.'

Bombay and Bombay Presidency have always cherished a great regard for Bengal who has produced some of the

foremost men in religion, literature, politics, whose services to the national cause are invaluable. Dr. Tagore, Sir. P. C. Ray, Sir. J. C. Bose, the late Raja Ram Mohan Roy, the late Mr. C. R. Das, to name only a few, are names which are as much household words and honoured and respected in Bombay as elsewhere. India's debt to Bengal in many spheres of life cannot be undervalued and Bengal as the home of Indian culture and intellectual development is held in the highest respect and affection by us in Bombay.

The Committee again emphasise that the best interests of the country lies in inter-provincial friendship and unity and not in inter-provincial warfare which is suicidal. The country has suffered already from inter-communal warfare, and the Committee hope that it will be spared now another conflict. They appeal to leaders of both Bengal and Bombay to nip in the bud any attempts that may be made to fan into flame inter-provincial prejudices."

APPENDIX 90.

Proposal for making certain offences under the Motor Vehicles Act Compoundable.

Letter No. 5084/2-*E, dated* 14*th April* 1934, *from the Government of Bombay, Home Department, to Chamber.*

I am directed by the Governor in Council to forward the accompanying copy of a letter from the Government of India in the Home Department, No. F. 493- 33-Judl., dated the 13th February 1934 and of its accompaniments, containing a detailed scheme about compounding certain offences under the Motor Vehicles Act and to request that you will be so good as to favour Government with the opinion of your Chamber on the following points:—

(1) (*a*) Whether a police officer should have power to compound offences under the Motor Vehicles Act and the rules framed under it; or

(*b*) whether a Magistrate and if so, of what class, should have this power; and whether this power should be confined to stipendiary Magistrates or extended to Honorary Magistrates of the same class;

(*c*) whether the Magistrate should have power to refuse to allow composition in any case normally compoundable; and

(*d*) if the Magistrate would permit composition, whether the accused should have the right to be tried.

(2) At present under section 18 of the Motor Vehicles Act, it is obligatory on the Court to endorse particulars of conviction on a licence under the Act even when the conviction was made for a technical offence against rules issued under it. If the offence is compounded as above, should the composition be regarded as a conviction? If so, should it be recorded by an endorsement on the licence? And should this endorsement be made obligatory or optional for the Court?

(3) In view of different sets of Motor Vehicles Rules prevailing in different provinces, it is desirable to have certain uniformity. What offences should therefore be made compoundable ? It is suggested that the Government of India might lay down in the Act itself what offences should not be compoundable and leave it to Local Government to notify which of the other offences should be compoundable in its province.

2. I am to request that in order to enable Government to send an early reply to the Government of India, your reply may kindly be sent so as to reach Government not later than the **25th proximo.**

Letter No. F. 493/33, Judicial dated 13th February 1934, from Government of India, Home Department, to Provincial Governments

No. F.-493/33-Judicial.

GOVERNMENT OF INDIA

HOME DEPARTMENT.

With reference to the correspondence ending with the Home Department letter/endorsement No. F. 1099/27-Judicial, dated the 2nd December 1931, on the above subject, I am directed to forward for your information a copy of the correspondence with the Government of the United Provinces noted below:—

(1) Letter from the Government of the United Provinces, No. 2386- Police, dated the 13th April 1933, and enclosure.

(2) Letter to the Government of the United Provinces, No. F-493-33, dated the 8th August 1933.

(3) Letter from the Govermnment of the United Provinces, No. 1824-1-Police, dated the 16th September 1933.

2. In the Home Department letter of the 2nd December 1931 the Government of India intimated their conclusion that the legislation proposed by the Government of Burma for the amendment of the Indian Motor Vehicles Act, 1914, so as to make certain offences thereunder compoundable should not be undertaken. The United Provinces Road Traffic Taxation Committee have recommended that purely technical offences under

that Act or the rules made thereunder should be compoundable at the option of the alleged offender. The Government of the United Provinces agree with the Committee and ask for a reconsideration of the previous decision of the Government of India, but suggest that the authority who should be empowered to compound must not be a Police officer but a magistrate of the first class, and that the offender should not be required to attend the Court. The Government of India are impressed by the considerations urged in paragraph 4 of the letter from the Government of the United Provinces, dated the 13th April 1933, and they agree with the local Government that the position has altered with the growth of motor traffic. Before reopening the matter, however, they would be glad to be favoured with the views held at present by you in the matter in the light of the observations made in the succeeding paragraphs.

3. The definite proposals made by the Government of the United Provinces are explained in their letter of the 16th September 1933. When the matter was last under consideration all local Government favoured some system of compounding. A majority of them were prepared to confer the power to compound on police officers, while a minority consisting of the Governments of Madras, the United Provinces and the Punjab were opposed to the power being placed in the hands of police officers. The Government of India, in intimating their own decision not to proceed with the matter, observed that there were objections to giving police officers power to compound these offences. The proposal now put forward by the Government of the United Provinces is that, if the offence is one that is compoundable, and if the Magistrate considers that it may suitably be compounded, then the magistrate should issue a special form of summons which contains a form of composition and should intimate to the accused in the summons the amount for which the offence may be compounded. The draft amendment proposed by the local Government for inclusion in the Act seems to leave the option of compounding to the accused, but that was not the intention of the local Government. The accused would

obviously have to be given the choice of compounding or of appearing in court, but circumstances might arise in which it would be inadvisable to allow a case that was compoundable to be compounded, and it would clearly have to rest, in the first instance, with the magistrate to decide whether the case may or may not be compounded The proposed amplification of the form of summons suggested by the Government of the United Provinces shows clearly that this was their intention. You will observe that the proposal of the local Government is not in substance one for compounding an offence in the sense of section 345 of the Code of Criminal Procedure, 1898, but for compounding for payment of a fine of lesser amount than might be imposed if the accused elected to be tried by the Court in the ordinary way. The Government of India will be glad to know whether you approve the proposal of the Government of the United Provinces, and if not whether you have any alternative proposals to put forward.

4. The next point for consideration is how the offences that should be made compoundable should be determined. When the matter was last under consideration opinions of local Governments on this point were by no means unanimous. The Government of Madras, Bombay and Burma in 1929-30 were, and the Government of the United Provinces now are, in favour of notification of the offences by the local Government. The latter also suggest that the previous sanction of the Governor General in Council might be required to such notification. The Government of Bengal suggested that it would be simpler to specify the offences that are not compoundable, partly by provision in the Act itself and partly by notification by the local Government The Government of Bihar and Orissa suggested that those offences under the Act itself which are to be made compoundable should be so made by provision in the Act and that offences under the rules made under the Act which are to be made compoundable should be so made by notification of the local Government. The Government of the North-West Frontier Province proposed to restrict composition to offences under the Rules as distin-

guished from offences under the Act. The Government of India are inclined to think that some uniformity is desirable, if not essential. A majority of offences under the Act and the Rules can safely be made compoundable, and there is something to be said for the suggestion of the Government of Bengal that the offences that are not to be compoundable should be specified rather than the offences that are to be compoundable. If this procedure were followed, it would probably be advisable for the offences under the Act which are to be non-compoundable to be mentioned in the Act itself and to give local Governments power to declare by notification with or without the sanction of the Governor General in Council those offences under the Rules which are to be non-compoundable. The Government of India will be glad to know which of the several alternative methods is preferred by you.

T. SLOAN,

Joint Secretary to the Government of India.

LETTER FROM THE GOVERNMENT OF THE UNITED PROVINCES NO. 2386-POLICE, DATED THE 13TH APRIL 1933.

I am directed to refer to the Government of India two recommendations made by the Committee which was appointed by this Government in June 1932 to consider the taxation of road traffic.

2. The first of these recommendations was that the Government of India should be approached with the suggestion that the annual periods for which registration and driving licences should be valid should be the same throughout India. At present local Governments and Administrations fix their own periods, some using the revenue year, some the calendar and others the financial. In this province the calendar year is used. As the adoption of different periods in different provinces causes difficulty when motor vehicles are taken from one province to another, the Governor in Council submits the recommendation of the Committee for the consideration of the Government of India.

3. The Committee further recommended that purely technical offences under the Indian Motor Vehicles Act, 1914 (VIII of 1914), or the rules made under that Act should be compoundable at the option of the alleged offender. In this connexion I am to refer to the correspondence ending with the Home Department's endorsement No. F. 1099-27 Judicial, dated December 2, 1931. In 1929 when asked for their views on a proposal made by the Government of Burma that certain offences under the Indian Motor Vehicles Act, 1914, should be compoundable by an officer not inferior in rank to an Assistant Superintendent of Police, this Government, having, ascertained that public opinion was almost unanimous in favour of some offences being compoundable, supported the proposal in principle, but did not consider that the power to compound should be given to a police officer. They therefore recommended that certain offences, a list of which was attached to this department's letter No. 2506-VIII 28, dated August 19, 1929 should be compoundable by a magistrate of the first class. The Government of India, however did not consider that the principles underlying that proposal were then appropriate to modern conditions and decided that there were objections to giving police officers power to compound offences against the Motor Vehicles Act. They therefore decided that the legislation proposed should not be undertaken and communicated this decision in the letter from the Home Department to which I have referred above.

4. With the increase in the growth of motor traffic however, the formal prosecution of purely technical offences is likely to lead to congestion in the courts, and in view of the fact that public opinion as expressed in the recommendation made by the Committee is still in favour of making certain offences compoundable, the Governor in Council hopes that the Government of India may be able to reconsider this question and to introduce legislation in order to make compoundable the technical offences of which a list is attached to this letter. It is, however, suggested that if this proposal be accepted much of its value

will be lost unless the procedure prescribed for the composition of these offences makes it clear that the attendance in court of the offender will be dispensed with.

5. A copy of the Committee's report is enclosed. The recommendations which are now referred to the Government of India will be found in Chapter IV at page 8.

List of offences under (a) the Indian Motor Vehicles Act, 1914 (Act VIII of 1914), and (b) the proposed revised United Provinces Motor Vehicles Rules, which may suitably be notified as compoundable.

(a) Under the Act.

Section 4 (b)---Not stopping when required by a person in charge of an animal.

Section 8—Not producing a licence.

Section 9—Driving outside the area for which a licence is valid.

Section 10—Not registering a motor vehicle.

(b) Under the proposed revised Rules.

Section 4—Not registering a motor vehicle.

Section 5—Driving an unregistered motor vehicle or permitting another person to do so.

Section 7 (1)---Not giving notice about a motor vehicle which was registered outside the province and of which the registration has not expired.

Section 7 (2)—Not applying for registration of a motor vehicle, which was registered outside the province and of which the registration has expired.

Section 7 (2), first proviso—Prohibiting a public motor vehicle registered outside the U. P. from plying regularly within the U. P. until the owner has paid the U. P. registration fees and has obtained a permit.

Section 7(2), second proviso—Prohibiting a person outside the U. P. from visiting the U. P. in a public motor vehicle, for purposes other than a social ceremony such as a marriage, without a permit or payment of fees.

Section 11(2)—Not producing registration certificate and card.

Section 17—Not reporting transfer of ownership.

Section 18—Use by a dealer of an expired general registration number.

Section 22—Not carrying registration card in proper place.

Section 23—Not carrying a regular number plate.

Section 24—Dealer not keeping a general number register, etc.

Section 25—Not carrying a horn of the proper tone, etc.

Section 25, proviso—Prohibiting any person from needlessly sounding the horn or other warning device attached to a motor vehicle.

Section 26 (1), (2) and (3) (a)—Not having proper lights.

Section 26 (3) (b)—Not screening powerful headlights.

Section 27—Failure to keep lights on when standing.

Section 28—Failure to keep correct side of the road.

Section 29—Not allowing another vehicle to pass.

Section 30 and 31—Not giving signals.

Section 32—Not observing the rule when entering main from side road.

Section 35—Causing obstruction by standing vehicles.

Section 36—Leaving vehicle unattended by licensed driver.

Section 38—Not having a silencer.

Section 39—Causing nuisance by smoke.

Section39-A—Flying flag notified for official use only.

Section 41—Towing a cycle.

Section 42—Carrying passengers on a motor cycle except on a pillion.

Section 43—Not having signalling apparatus on a vehicle with left hand steering control.

Section 45—Disobedience of rules made for regulating traffic in special circumstances.

Section—60 Taking part in unsanctioned trial competition.

Section 62—Requiring the registered owner of a motor vehicle to report the change of his address in the U. P., except when the change is for a period not exceeding six months.

Section 63 to 68—Not observing rules about tires, wheels, dimensions and springs of heavy vehicles.

Section 69 (1)—Not registering a trailer.

Section 69 (3)—Towing more than three trailers.

Section 73—Not marking particulars on a trailer.

Section 74—Not having an attendant on a heavy vehicle.

Section 75—Not having a mirror on heavy vehicle.

Section 82 (4)—Not carrying a duplicate copy of permit on a public motor vehicle.

Section 86 and 102 (c)—Exceeding maximum load of a public vehicle.

Section 87—Not exhibiting route, etc., on a public vehicle.

Section 92—Irregular carrying of passengers and goods in public vehicles.

Section 98—Not producing a public vehicle for inspection.

Section 99—Attaching a trailer to a public vehicle without permission.

Section 100—Not exhibiting schedules of fares in public vehicles.

Section 101—Demanding excessive fare.

Section 102 (d), (c), (f) and (g) —Miscellaneous offences of drivers of public vehicles.

Section 105—Letting a public vehicle stand for hire in an unauthorized place.

Section 107—Having unsuitable tyres on hill roads.

H. J. FRAMPTON,

Deputy Secretary to Government, United Provinces

LETTER TO THE GOVERNMENT OF THE UNITED PROVINCES, NO. F- 493/33 JUDICIAL, DATED THE 8TH AUGUST 1933.

With reference to paragraph 2 of the Industries and Labour Department letter No. C.3, dated the 14th July 1933, I am directed to say that the Government of India observe that the proposal contained in paragraph 3 and 4 of your letter No. 2386-Police dated the 13th April 1933, to make certain offences under the Indian Motor Vehicles Act, 1914 (VIII of 1914), or rules thereunder compoundable is made subject to the following conditions:—

(1) The authority which should be empowered to compound must not be a police officer, but a magistrate of the first class.

(2) The offender must not be required to attend in court.

The local Government also lay stress on the procedure to be prescribed for the composition of the offences. Before deciding whether to proceed further in the matter at present the Government of India will be glad if the local Government will develop their proposals further and submit a complete scheme of procedure for their consideration.

LETTER FROM THE GOVERNMENT OF THE UNITED PROVINCES, NO. 1824-I- POLICE, DATED THE 16th SEPTEMBER 1933.

With reference to Mr. Sloan's letter No. F. 493-33 Judicial, dated August 8, 1933, I am directed to say that the Governor in Council did not contemplate the introduction of wholesale changes in procedure. For the reasons given in paragraph 3 of this Government's letter No. 2386-Police, dated Aptril 13,1933, it was felt that practical reasons as well as policy required that the power of composition of offences should not be delegated to police officers. The inconvenience caused by prosecutions for purely technical offences lies chiefly if not wholly, in the legal necessity to appear in Court to receive sentence. The Governor in Council therefore emphasised the necessity for securing that such attendance be unnecessary.

2. For these reasons it is suggested that no change be made in the existing procedure in the stages leading up to the issue of a summons by the magistrate but that when issuing his summons the magistrate be empowered to absolve the accused from appearance either in person or by pleader on his paying a composition fee. This, in the opinion of the Governor in Council, may be effected by amendments of the Indian Motor Vehicles Act and in the forms of summons issued in connexion with specified offences against that Act.

3. The amendments contemplated might, it is suggested, be somewhat as follows. A section might be added to the Indian Motor Vehicles Act, 1914 (Act VIII of 1914), to the effect that—

> "In the case of such offences under section 16 of the Act as the Local Government (with the sanction of the Governor General in Council)" (if the Government of India consider this necessary)"may prescribe in this behalf, it shall be optional for the accused to compound the offence. Where the accused elects to compound he shall record his admission of the offence on the form of summons

served upon him and return it to the court which issued it, together with such sum in composition of the offence as may have been indicated by the court in the form of summons."

The usual form of summons might be amplified on the following lines:—

"If, however, you admit the charge and desire to compound under section..... .....of the Indian Motor Vehicles Act of 1914, your attendance in court will not be necessary if you complete the form of composition attached hereto and return it to this court together with a sum of Rs.....on or before.....',

The form of composition, also added to the form of summons, might run:—

"I.....hereby admit the commission of the offence described above, and in compostition thereof remit herewith the sum of Rs....."

Letter No. 1223, dated 10th May 1934, from Chamber, to the Government of Bombay.

I am directed to refer to your letter No. 5084 2E dated the 14th April 1934,and in reply to give below seriatim the views of my Committee on the points raised therein:

1. (*a*) No. Police officers should not have the power to compound offences.

(*b*) Stipendiary and/or Hon. Magistrates, not less than second class, should have this power.

(*c*) The Magistrates should have power to refuse to allow composition in any case normally compoundable.

(*d*) Even if the Magistrates permitted composition, the accused should have the right to be tried.

2. When an offence is compounded, the composition should not be regarded as conviction.

3. The Government of India might lay down in the Act itself what offence should not be compounded, leaving it to the local Governments to notify which of the other offences should be compoundable in each Province.

APPENDIX 91.

Motor Driving Licences—endorsements on.

Letter No. 4645/3-E, dated 28th April 1934, from the Government of Bombay, Home Department, to Chamber.

I am directed by the Governor in Council to forward the accompanying copy of a letter from the Western India Automobile Association, Bombay, dated the 22nd March 1934, containing a proposal that except in cases of serious offences, all endorsements of more than two years standing should be deleted from the motor driving licence and that a clean licence be issued. The Governor in Council is inclined to the opinion that some amendment of the existing provisions about endorsements is desirable. Any such amendment however will need legislation as the present provisions are laid down in the Indian Motor Vehicles Act, VIII of 1914 and in the rules framed under it, and the Government of India will have to be approached to undertake such legislation. It is open for consideration whether that legislation should take the exact form suggested by the western IndiaAutomobile Association. It is not certain, for instance, whether it is necessary that *every* conviction should be endorsed; in considering this point I would invite your attention to this Department's letter No. 5084 -2-E, dated the 14th April 1934. It might be advisable that for certain minor offences a licence should not be endorsed at all, that for others the endorsement should be expunged after a certain time, while for others the endorsement should be a permanent one. I am therefore, to request

you to favour Government with the opinion of your Chamber on the question of endorsements generally and on the proposal of the western India Automobile Association particularly.

From

The Western India Automobile Association.

To

The Secretary to the Government of Bombay.

dated 22nd March 1934.

I am directed by my Committee to bring the above-mentioned subject to your notice.

Under the present procedure endorsements are made on the driving licences of motorists in a very general way, for example, "Case No.....convicted and fined Rs..... under section 5 of M. V. Act. 8,1914, in.....Presidency Magistrate's Court, Bombay, dated....."

Section 5, being very wide, applies to the majority of motoring offences, others coming under Section 16 of the Act.

This endorsement, therefore, does not give the slightest indication as to what was the particular act which constituted the offence, but as, under present procedure, it remains permanently on the driving licence the licence is considerably prejudiced.

This is not fair or just, especially in a case where a period of years has elapsed since the conviction.

The Traffic Police when inspecting a Licence, whether it is subsisting or has expired, invariably look into the endorsements, although, as mentioned above, these give no indication as to the nature of the offence, as to whether it was for only a technical offence such as permitting the car to emit smoke or permitting the car to be driven with the cut-out open in Town, or whether it is for a more serious offence such as causing an accident, obstructing traffic or endangering the safety of the public,

Naturally the Traffic Police Officer would be prejudiced by the endorsement in considering the case and in deciding whether to launch a prosecution or otherwise.

Further, in a prosecution for motoring offences, the Magistrate, after he has held the offence to have been committed, looks at the endorsement before fixing the amount of the sentence and from the nature of such an endorsement, it is impossible for him to know whether the previous offences were trivial or technical or whether they were serious breaches of the law.

I understand that in England *all* endorsements, if any; are deleted from the licence after a period of two years.

Without expressing an opinion as to whether taxi drivers should be included, my Committee consider it to be highly desirable, from all points of view, at least in so far other motorists are concerned, that the requisite rules or legislation should be brought into force to the effect that excepting in cases of serious offences, which may be enumerated, all endorsements of more than two years standing should be deleted and a clean licence issued to the motorist concerned.

Earnestly trusting that this matter may receive early and favourable consideration.

Letter No. 1224, *dated* 10*th May* 1934; *from Chamber to Government of Bombay.*

I am directed to acknowledge receipt of your letter No. 4645/3-E, dated 28th April 1934, and in reply to communicate to you hereby the views of my Committee on the points referred to therein.

My Committee are in general agreement with the views of the Western India Automobile Association as contained in their letter of the 22nd March 1934.

They are in agreement with the view taken by the Government of Bombay that for minor offences the licence should not be endorsed at all and that, for others, endorsements should be expunged after a certain time, say two years.

They would, moreover, like to add that for offence of a serious nature the specific nature of the offence should be stated in the endorsements.

APPENDIX 92.

Proper Maintenance of Lifts.

Letter No. 8225/27 M, dated 3rd April 1934, from the Government of Bombay, P. W. D.

I am directed by the Governor in Council to state that it has been reported to Government that in many cases lifts in Bombay are not maintained in efficient condition and as such are contributary to serious accidents, in some instances with fatal results. It has therefore been suggested that legislation should be enacted requiring the maintenance of lifts in proper and efficient working order, which should be enforced upon the landlords and owners of premises fitted with passenger lifts. The Electrical Engineer to Government has submitted the accompanying set of draft rules regulating the design, construction, erection and maintenance of passenger lifts in the Bombay Presidency, which it is understood, were drawn up by a Sub-Committee appointed by the Bombay Chamber of Commerce and also of the safety First Association of India jointly for the purpose. Before taking further action in the matter, I am to request that you will kindly furnish Government with the views of your Chamber in the matter at an early date.

Specification for the Design, Erection and Maintenance of Lifts.

DESIGN OF LIFT.

1. Only the best obtainable materials should be employed in the construction of and maintenance of lifts.

2. **Lift Suspension Rope:** At least 2 ropes, each capable of supporting the full load should be provided so that if one rope breaks the second rope may hold the cage. Passenger lifts should preferably be suspended by 4 or 6 ropes in

such a way that should two of the ropes break, the remaining ropes may hold the cage. An equalising device should be provided to distribute the load equally among the suspension ropes.

The ends of each rope should be separately and securely attached both to the cage and the Balance Weight.

3. **Safety Gear.** A Safety Gear, capable of sustaining the car in the well in case of emergency should be provided underneath the car. This should preferably take the form of serrated steel Cams, Rolls, Wedges or any apparatus of approved design which, when brought into action, will grip the car guides or timber backing behind the guides. They should be so placed as not to tend to force the guides outwards but should work in pairs on opposite sides of the guides.

4. **Design of Brake.** Brakes should be designed so that they are always acting when the cage is at rest and are released automatically as soon as power is supplied to the motor.

5. **Buffers.** Buffers should be provided in the pit to absorb the shock of the car or counterweight in case of over-travel.

6. **Limit Switches.** In the case of car switch controlled lifts 'control limit switches' should be provided to prevent overrun of car beyond terminal landings and in all types of controls a main limit switch' should be fitted.

7. **Emergency Push Button.** In automatic control lifts a 'stop' push button distinctly marked, should be provided inside the car to enable it to be stopped immediately, if necessary.

8. **Interlocking of Doors.** Electro mechanical interlocks should be provided on the landing gates to prevent the operation of the car until the landing doors have been closed, and also to prevent opening such doors unless the car is at a landing.

9. Lift car gates should be equipped with contacts so that the car cannot be started until the car doors are closed and the opening of such doors should stop the car.

10. Lift car gates should open and close on the side of the car nearest the car control.

11. **Operation of doors on car switch operated lifts.** Landing doors should not be capable of being opened except with a special key which shall remain with the operator. The car shall not be capable of being operated except by a special handle which preferably shall remain with the operator.

12. **Height of Controller.** Car switch and push buttons should be mounted high enough to be beyond the reach of children.

13. **Toe Protection.** Vertical bars should preferably be fixed between main pickets of car gates to prevent the toes of passengers protruding beyond the edge of the car.

As a further precaution against toes being crushed between the car and landing, it is advisable to place a bevelled plate, as shown in sketch, beneath the car at the front edge of the platform, as well as under the landing platforms. The plate should be smooth, not less than 12″ wide, and should form an angle of about 70° with the horizontal.

14. **Slack Rope Switches.** In the case of drum driven lifts slack rope switches should be provided to cut off the main current in case the car or balance weight should (Jam) during descent.

15. **Safe Working Load.** The maximum safe working load (number of passengers including the operator) should be clearly marked indside the car. The car space should be such as to accommodate only the number of persons specified as above and not more. This will prevent automatically the overloading of the car.

16. **Lift Car.** The top of the car should be covered securely to prevent falling articles injuring the occupants of the car. If glass is used it should be of reinforced type.

The floors of cars and landings should be made of materials which will prevent slipping. Rubber mats in one piece may be used. Mats should not be allowed to become worn or frayed, as otherwise they might cause persons to trip. No smooth metal plates shall be used as floor coverings.

17. **Safety Devices.** should be designed so as to render tampering with them difficult, if not impossible.

DESIGN OF LIFT WELL & SHAFT.

1. In order to prevent parts of mechanism, loose tools, debris etc., falling on the cage, it is desirable that a suitable strong frame be provided below the driving mechanism if it is directly above the lift well

2. **Clearances.** The clearance between the car floor and landing floor must not exceed 1 inch.

3. Clearance of not less than 3 feet should be allowed beyond the limits of travel of the car both at the top and bottom of the well.

4. **Accessibility of Lift Machinery.** All lift machinery should be properly enclosed or fenced in so as to be accessible only to persons responsible for their upkeep. The fencing should be at least 6'-6" high at all landiage, stairs etc. The driving mechanism should be enclosed.

5. **Balance Weight Protection.** The vertical traverse of the balance weight should be enclosed to a height of 6'-6" above the bottom of the well. This is necessary to enable a person at the bottom of the well to carry out inspection with safety.

An alternative method is to suspend from the balance weights chains at least 4' in length, and spaced not more than 6" apart. There should be no broken links, or hooks, etc. in the chains, that are likely to catch the clothing etc.

6. **Lighting of Approaches.** Approaches to the lift should be well lighted.

7. **Fire Extinguisher.** It is desirable that a fire extinguisher, suitable for electrical installations be kept handy in the lift machine room.

INSPECTION OF LIFTS.

Periodical Inspection. Regular half-yearly inspection of the whole lift installation should be made by a certified Lift Engineer and a log kept of all such inspections, adjustments, repairs replacement of suspension ropes etc, carried out.

MAINTENANCE.

1. Electrical and mechanical gears such as motor, wiring, contactors, fuses, solenoids, resistances, interlocks, gearing, bearings, keys, keyways, suspension ropes, brakes, safety gear, suspensions of car and balance weights etc, etc. should be carefully examined, cleaned, oiled and greased regularly by a competent mechanic.

2. **Supply of Power while carrying out repairs, etc.** Supply of power should be switched off when a person is working in the well or in the machine roon whenever possible.

3. **Tampering with Safety Gears.** Safety Gears and Devices should be set and adjusted by a certified Lift Engineer only and they shall not be interfered with by any one except a certified Lift Engineer. Tampering of these by any one except those mentioned above shall be a penal offence.

Letter No. 1211, *dated 9th May* 1934, *from Chamber to Government of Bombay.*

Subject: Lifts.

I am directed to acknowledge receipts of your letter No. 8225/27 M. dated 3rd April 1934 on the above subject,

and in reply to say that my Committee have no views to offer on the draft rules regarding the design, erection and maintenance of lifts.

Letter No. 8225/27-M, dated 26th October 1934, from Government of Bombay to Chamber.

With reference to the correspondence ending with your letter No. 1211, dated 9th May, 1934, on the subject mentioned above, I am directed by the Governor in Council to inform you that Government do not propose to take any action in the matter for the present.

APPENDIX 93.

Colonisation Enquiry Committee.

Letter No. 2456, dated 1st October 1934, from Chamber to Government of India, Department of Education, Health and Lands.

I am directed by the Committee of this Chamber to communicate to you hereby their views on the report of the Indian Colonization Enquiry Committee appointed by the Government of the Union of South Africa.

The Committee were appointed by the Union Government to investigate the possibilities of a colonization scheme for settling Indians, both from India and South Africa, in other countries and their recommendations are summarised as under:

"It appears to your Committee that:

1. British North Borneo,
2. British New Guinea, and
3. British Guiana

are countries in which further investigations as to the successful operation of colonization scheme might be advantageously made.....,"

Before dealing with the merits of the recommendation, my Committee would like to point out that the very idea of an investigation with a view to reducing the Indian population in South Africa by any scheme of emigration to other foreign countries did not appeal to responsible Indian opinion. As a matter of fact even as far back as 1927 Mahatma Gandhi discountenanced such a proposition and the views expressed subsequently before the Committee and the public by South African Indians and others confirm the general opposition to any such plan.

My Committee are aware that the South African Indian Congress co-operated in this inquiry, but Government must be, no doubt, aware of the differences of opinion in this connection which ultimately led to a considerable section of the South African Indians seceding from the Congress and organising an opposition to any colonisation scheme.

In his evidence before the Committee the Agent to the Governor-General in South Africa made clear that any such scheme of assisted emigration would be impracticable and was inclined to dismiss its possibility. My Committee also note with feelings of relief, from the replies and statements in the Council of State given by the Hon'ble Member-in-Charge of this portfolio, that Government regard any such scheme impracticable for financial and other reasons.

Coming to the countries suggested for investigation, the Inquiry Committee themselves observe that so far as New Guinea is concerned, the policy of Asiatic exclusion pursued by the Commonwealth of Australia rules out the possibility. British Guiana has a bad reputation for health and in its present condition it is admitted, is not suitable for the purpose. As regards British North Borneo, the less said the better. Any attempt at the segregation of Indians to a part of the world which no other country cares to colonize should be very strongly resisted.

My Committee note with relief that their above views are generally shared by Government and therefore, feel

confident that Government would strongly discourage any such scheme, which may be initiated by the Union Government.

APPENDIX 94.

Bombay Trade Disputes Conciliation Bill.

Letter dated 19th July 1934, from Government of Bombay, Political and Reforms Department to Chamber.

(The Bill is not-reproduced but can be referred to in file R. 107 of 1934)

I am directed to send you herewith a copy of a draft of the Bombay Trades Disputes Conciliation Bill, 1934 which Government propose to move in the Bombay Legislative Council at its next session commencing on August 13, 1934 and to request you to place it before your Chamber for their consideration and remarks, if any, which should reach me by the 1st August next at the latest as the bill will have to be published by the 4th August after which date it will not be possible to make any changes in it except by way of amendment in the Legislative Council itself.

Letter No. 2070, dated 8th August 1934, from Chamber to Government of Bombay.

I am directed to acknowledge receipt of your letter dated 19th July, 1934, along with a copy of the draft Bombay Trades Disputes Conciliation Bill, 1934, and to send hereby the views of my Committee on the same.

My Committee welcome the proposed legislation, which they consider, as a good attempt to concert some measures at least for the situaltion, it may be said, unenviable situation, which has been prevailing in the City for long time past as regards relations between employers and employees in the cotton textile industry. They would, however, make the following **observations** with regard to the different clauses of the Bill.

Clause 5 (3): The words "after due notice to the management" be inserted between the words 'may' and 'enter' in the third line. My Committee also suggest that the Labour officer should only be empowered to inspect documents strictly connected with and relevant to, the specific grievances. My Committee are further of opinion that the Labour Officer should not have wider power than those enjoyed by the conciliator.

Clause 9 (3): My Committee suggest that the word "deliberately" should be added to 'has failed'. They are of opinion that the penalty provided for by the clause is too high and would therefore suggest that a reasonable limit should be fixed with regard to the same. They would also suggest that separate notices should be given to the Directors with regard to anything that the Conciliator may wish them to do, as in the absence of such a notice the Directors may have been in entire ignorance of the situation.

My Committee do not approve of the Labour Officer *ipso facto* acting as a delegate for Labour, as provided for in Clause 9 (4). They suggest that if Labour fails to nominate representatives for the conciliation proceedings, Government should nominate non-officials to act as delegates for Labour.

Clause 10 (a): My Committee are of opinion that a person should be deemed to be disqualified under this sub-clause provided only if the offence involved moral turpitude.

(d) (2): My Committee are afraid that this clause places in the hands of the Conciliator too wide powers and would therefore suggest that this sub-clause should be deleted.

My Committee would suggest that whenever rules are framed under Clause 20, the draft of the rules should be officially sent to all the leading Commercial bodies concerned for their views on the same.

Clause 11 (1): My Committee suggest the addition of the following words to this sub-clauses:

"which should not be later, in any case, than 7 days."

Clause 12: My Committee are of opinion that provision should be made that whilst conciliation proceedings are going on there should be no cessation of work either on the part of employers or employees.

My Committee further suggest that a new Clause should be embodied in the Bill to the effect that agreed settlements between employers and employees should immediately be given effect to.

APPENDIX 95.

Speeches at Quarterly General Meetings.

Speech of Seth Mathuradas Vissanji, President, Indian Merchants Chamber, at the First Quarterly General Meeting of the Chamber on 28th April 1934.

Gentlemen,

The first quarter of this year has provided much excitement in public life and has witnessed several incidents taking place which will have far-reaching effects on the future of this country.

In the first instance the Government of India Budget was presented on 27th February when proposals of a startling character were made by the Finance Member to meet the deficit. Steps were taken to put into practical shape both the Indo-Japanese pact and the Mody-Lees Pact though in doing so proposals of the Tariff Board were more. or less given a go bye. The Tariff Board had submitted their report on the Textile protection so far back as 10th November 1932 and yet the report was not published and was held back probably with a view that their conclusions might be modified as they have been after all by negotiations with Japan and Lancashire. I shall try to show here what were the main recommendations of the Tariff Board and what are the conclusions of Government as a result of the two pacts incorporated in the Textile Protection Bill:—

Recommendation of the Textile Tariff Board.	Provisions in the Textile Protection Bill since passed into Law.
Specific duties on all goods coming from foreign countries including Great Britain.	Preferential tariff for British goods.

Protection for 10 years	For 5 years only
Internal reform in the industry, such as conduct of the Managing Agents, etc.	No declaration of policy in this regard.

While I am in favour of negotiations with foreign countries with a view to the development of our trade, I must express my doubts as I have already done previously with regard to the outcome of both the negotiations to which I have referred above. It is deplorable that the conclusions and recommendations of the Tariff Board should have been jettisoned.

Unfortunately the Japanese did not actively implement the Agreement recently entered into by them. Both with regard to allotments of freight on this side and the participation of our countrymen in the quotas on the other side, serious restrictions and handicaps were imposed, the effect of which was to reduce the share of Indians in the Indo-Japanese trade. Complaints had been ventilated in the press and on the floor of the Assembly as well as by responsible commercial Associations. All this trouble has, however, now ended and we are assured that normal conditions will be restored fully from 1st May.

EXCISE DUTIES.

The Excise Duties, which formed an important feature of the Budget, came as a surprise and a shock to many of us. While the agitation against the cotton Excise duties was going on, it was made clear that the country would not tolerate the Excise duties in any shape or form any further. There was a very good reason for it too. Indian industries cannot still be considered as thoroughly developed and established industries, and the Excise duties, being a tax on Industries, have always to be discouraged. Notwithstanding this, the Finance Member proposed Excise Duties on Sugar and Match industries. These two industries have, during

the last few years, made a very great headway, principally due to the protection given and the promises from Government of continued and further support. Crores of rupees have been invested in the Sugar Industry, and it is a matter of the deepest regret that the recent proposals of Government have taken away a part of the protection given to the Sugar industry. It is said that the industry has made very good profits during the last two or three years. It is the older well established factories and not the new factories which made these profits. Even this profit making will not, however, last long. There is not only foreign competition but also internal competition, and I for one would not be surprised if the present-day profits are reduced and if the industry finds itself even in difficulties in no distant future. I do not want to raise any false fears. The sugar industry is based on well-laid foundations, and is supplying one of the necessities of the country. If properly nurtured it should be one of the leading industries of the country, like Cotton textiles, or coal or iron and steel. If, however, Government choose to adopt the policy of killing the hen that lays golden eggs, it will be no wonder if the industry suffers. I should like to suggest in this connection that a check may well be placed now on the sprouting up of new sugar concerns as otherwise internal competition will be ruinous. Government may well consider the advisability of instituting a licence system to be administered by a Committee.

With regard to the Match industry, Government have raised the import duty *pari passu*, but the Excise duty and the raising of the import duty will mean raising of the prices of matches, which means a curtailment in their consumption and a consequent handicap to the industry. This industry also has become well established and it was not wise to levy any Excise duty on the same.

There has been another industry which has been affected by the recent Budget proposals and that is the Tanning industry, specially of the Southern India. For years this industry has been contending against difficulties. It helped Government to no small extent during the last War when it

gave supplies which were otherwise denied. Government at the time levied an export duty of 15 percent, but as soon as the troublous times were over exporters of raw products and countries which were importing the raw products began to kick up a row against the export duty, with the result that Government, forgetting the services of the industry and the requirements of the industry, reduced this duty to 5 per cent, despite strong protests from the industry itself and Chambers of Commerce like ours. Even this 5 per cent is now removed and the Tanning industry has been hit hard.

There are thus three industries which have been affected by the recent Budget. On the one hand, Government complain about the slackness in trade and the depression in industries and the consequent reactions on railway traffic, income-tax returns, employment market, disaffection in the country and so forth. On the other, instead of taking means to develop, they are placing handicaps upon industries which are trying to establish themselves in the country.

DIVERSION OF TRADE.

Diversion of the trade of Bombay has been long since a sore grievance with us, and on the principle "honour where honour is due," I feel it my duty to congratulate His Excellency Lord Brabourne upon the enthusiasm and energy with which he has taken up this question from the time of his assuming the reigns of office. His Excellency called a Conference at the Secretariat to consider the various implications of this question, where our Vice-President attended. Lord Brabourne soon after went to Delhi to discuss with the Imperial authorities this question, and the Town Duty on cotton was at once abolished. It shows how Government can and should act in circumstances of vital emergencies when they are once convinced with regard to facts of the case. I must say, however, that it is still an initial step, though a very important one, and that much more remains to be done before Bombay will be restored to its prestine vigour of trade. Under pressure, no doubt, from Lord Brabourne, the Hon'ble the Finance Member to the Government of India has promised a Committee

of Enquiry, and I hope that this Committee will be appointed at once and will lose no time in submitting their report. The malady is serious and drastic action must be taken to cope with it.

INTER-PROVINCIAL FEELINGS.

I have been referring to the question of Inter-Provincial envies and jealousies in my last two speeches and sounding a tocsin of alarm lest these feelings may be fanned into flame just as inter-communal feelings have been. All the big warfares have small beginnings. The present inter-communal tension began in a small way. The Inter-Provincial tension similarly has begun in a small way. There are for the present petty envies and jealousies but unless these are scotched from now they will assume serious proportions which may be difficult to deal with later on. It was unfortunate that Sir George Schuster's Budget provided food for Provincialists and there was a good deal of mud slinging and epithet flinging in Bengal and Bombay against each other. The Budget proposal was that half the proceeds of the export duty on Jute should be given to Bengal. So far so good. The proposal, however, further was that in order to reimburse the Government of India for this subvention to Bengal there should be an excise duty levied on matches. A public meeting was convened by the Sheriff of Bombay to protest against the arrangement which appeared to favour one Province at the expense of the other. As a matter of fact Bombay did not grudge to Bengal her subvention, but wanted her own claim to be recognised in view of the fact that she had tried to balance her budgets even by heavy taxation. Bengal, however, resented these meetings and the speeches delivered thereat as representing a narrow parochialism and anti-Bengal feeling. Your Committee recently issued a statement in which they set forth all the facts and showed how we were not actuated by any anti-Bengal feeling and that all we wanted was fairness to Bombay; also we explained how Bombay and Bombay Presidency had always cherished a great regard for Bengal,

who had produced some of the foremost men in religion, literature, politics, whose services to the national cause were invaluable.

COMMUNAL TENSION.

While I am on this question, I cannot help deploring the continuance of the communal tension and the failure of all efforts made at arriving at a mutual understanding so that a new pact can take the place of the Award given by the British Government. All the leaders, whether Hindu or Moslem are agreed on one thing which is that no Swaraj in the real sense of the term is possible till there is a complete rapproachment between the two major communities of the country. Let us hope that even now it is not too late and that both the communities will join together in demanding what is the birth right of all viz: REAL SELF GOVERNMENT, and not the one as portrayed in the White Paper.

POLITICAL SITUATION.

The statements issued by Mahatmaji recently have changed the political atmosphere to a large extent. The formation of the Swaraj Party with these statements, has atleast clarified the situation which had become, in a sense, a complete stalemate. While I, for my part, would welcome such a clarification of the atmosphere and diversion of the activities of the people into active channels, I cannot help remarking that the failure of the movement initiated by Mahatmaji, based as it was on self-sacrifice and spiritual forces, is not an incident on which either Government or the Indian people should be particularly elated or should congratulate themselves. While some of us may not have agreed with the Civil Disobedience movement, we cannot help remarking that it was a movement backed up by all the fervent patriotism of Mahatmaji and meant to lead the people to fight for Swaraj on principle of Non-Violence. While the whole world is seething afresh with rancour and hatred, and while we are threatened with another war, it was something that a new Message of Hope and Love was being given in this country. For the time at-

least the movement has not succeeded, and not only this country but the world has lost an opportunity of seeing the fruition of a mighty experiment. We have now to reconcile ourselves, however, to the changed situation and see how the political programme of the Swaraj Party which has received its blessing from Mahatmaji can be harnessed into service of the country and can be utilised for her political advancement.

SWADESHI.

Before I conclude, I should like to refer to the efforts being made by the All India Swadeshi Sangh to carry on a persistent and systematic propaganda for the development of our industries. The Sangh, however, like our other institutions suffers through lack of funds. It has got an able and energetic Secretary in Mrs. Lilavati Munshi, but she requires your financial help to back up all her efforts. I hope that her appeal will not go in vain.

In the course of his speech, Mr. Manu Subedar, Vice-President of the Chamber said:—

"Nothing is more striking, since the Second Round Table Conference, than the delay in the progress of Constitutional changes. Every time-table, indicated so far, has been belied, and there is now room for pessimism that Constitutional reforms; transferring substantial power at the Centre, are not coming for another decade. The Commercial community has already expressed its dissatisfaction with the White Paper. They had objected to the Safeguards, as not being in the interests of India and as likely to unnerve and interfere with responsible Ministers in their task. They must now protest against the delays, and they must request, in the interval, for a sound economic plan. Everything in India is a matter of drift; things have stopped half-way. Important economic reforms are put off, either until after Federation or until after world conditions improve. Indian demand for currency reform, which should have been granted earlier, has not met with proper response. Our tariffs are not scienti-

fic, somuch so that, in some cases, luxuries are coming in free, and the raw material and component part is taxed at a higher rate than is imposed on the entry of finished goods. Opportunism seems to be the motto of the Government of India; but the people suffer. I venture to state that the condition of agriculture and of industry in India is worse than in many countries in the world, and more so than it should be even under adverse world conditions. Non-official critics are disliked by Goverment, who hug their prestige to heart. It is only reasonable that we should ask Government to have a proper economic plan and to see that the immediate human distress is reduced. They have the model in this direction of several other countries, and even the United Kingdom, which according to Sir George Schuster is working without any plan, is by no means drifting, as we are in India. If political power is not going to be placed in the hands of Indians, we are entitled, as merchants and businessmen, to ask Government to use their power with discretion and concern for the economic welfare of the country. We make bold to say that it is not being used by Government in this manner. Officials and Administrators are only anxious to cover the short span of their office and they are always looking to the next big post to which they can jump. No one appears to be willing in India in the Governmental machine, to take the odium of constructive work. I would like to bring to the notice of Government the excellent speech of Mr. G. D. Birla at the last Annual Meeting of the Federation of Indian Chamber of Commerce and Industry on this subject. It is extraordinary that, except on the purely negative side, Government have not issued any authoritative statement giving their views regarding the economic position of India as a whole. Having regard to the distress of the agriculturists, the landholders, investors in industries, working classes, I must, on behalf of the Indian commercial community, stress the need for prompt action in the sphere of economic life. The obligations of a foreign Government in this matter are even greater, in my opinion, because otherwise the idea that they are a military occupation and have no concern for the welfare of the people is bound to take root and to spread. This Cha-

mber has from time to time indicated directions in which Government should take action in order to improve the economic conditions, and I trust that if Government means business with regard to this matter, this Chamber will not be wanting in its duty and will supply many useful ideas to build up a constructive programme. I hope therefore it will not be said that this is academic criticism of Government policy and is criticism for the sake of criticising.

COMPANY LAW REFORM.

Since the last meeting, much progress has been made in this direction, and this Chamber has noted with satisfaction that the Resolution urging an immediate enquiry into the working of the Indian Companies Act, originated from here, has been unanimously accepted and passed by the Federation of Indian Chambers of Commerce at Delhi. From one point or the other so many members of the Assembly brought up this subject in discussion, and we have now Government's assurance that the Act is going to be modified very soon. The stability of the structure of business depends on the substance of which that structure is made, and the shortcomings of the present Act, particularly the abuses in connection with the Managing Agency system, are, in my opinion, responsible for checking Joint Stock enterprise and for checking the growth of Industry generally. The fact that large investments have been made in the sugar industry, inspite of the Managing Agency system and inspite of the very exhorbitant terms fixed by many managing agents, does not prove that the system is good. It only proves that the temptation to the investor is great on account of the large profits made by some concerns. The responsibility of the State in protected industry is even greater, because the country pays the price of protection and it should be assured that the fruits thereof are going to the investors and are not intercepted in extravagance or in inefficiency and mis-management. But amendments to the Company Law are essential not merely in respect of management. They are essential in respect of every stage

of the company's life, viz. promotion, responsibility of Directors, appointment and responsibility of auditors, amalgamation by or control of another company, etc. There is one aspect of the programme for Company Law reform, which I should like to refer to. I hope Government will proceed promptly with the enquiry into the various sections of the Companies Act which need amendment. Some guidances to be had from the English Act, but to the extent to which conditions are different in India, special provision would be necessary. Such an enquiry, in order that it should not be costly or dilatory should be conducted at the hands of a small Committee, consisting of a businessman well acquainted with Companies affairs, one of the senior Registrars of Joint Stock Companies and a Judge of a High Court who has handled Company matters over a long period. The principle that on every Committee members of the Assembly and the Council of State, representatives of every Province in India and members of every community should be represented is a vicious principle, likely to cause unnecessary outlay of money and to produce small results. This warning is necessary, and I hope it will not be regarded as unbecoming, when it comes from a Chamber of businessmen. It is over five years since the English Act has been revised, and one cannot understand the delays at Simla in bringing about a similar revision in this matter in India. I do not think this is a matter which should be dealt with on the usual procedure of a draft Bill circulated for eliciting opinions. Not only would the laymen, however eminent they be, know little about these things, but even Government officials in the Provinces would not be in a position to make any very valuable contribution. Many of those who will be affected by these regulations are sure to raise a hue and cry, particularly the vested interests of the managing agents. To have therefore an impartial judgment which would secure regulation in the best interests of the community, the procedure must be simple and it should be at the hands of a small Committee or 3 or 4 as indicated above before the Bill is drafted.

STATUTORY RAILWAY BOARD.

Your attention must have been drawn to a recent representation made by this Chamber to Government on the question of a Statutory Board for the management of Railways in India. This Chamber has, during the last decade, made various suggestions with regard to improvement in railway management in this country. Many of these suggestions have not yet been carried out. We have a Railway Board today which, apart from the Financial Commissioner, consists entirely of men who have risen from the railway service. While these gentlemen bring valuable experience with them, that experience, in our opinion, needs to be supplemented with business judgment of men who have gained their experience in other walks of life and in other fields of business. Excepting isolated and exceptional cases, no Indians are so far placed as Agents, Deputy Agents or Assistant Agents of State Railways. The Indianisation of services is not proceeding particularly rapidly in the Railways. The Railways have claimed from time to time that they are a commercial department of the Government of India and as such they must purchase in the cheapest market. This formula has been often pitted against those Indian industries which have asked for Railway patronage, relying upon declarations of the Government of India that articles made in India would be preferred to imported articles. Similarly, in the question of rate fixing, the Railways claim to consider purely railway standpoint, ignoring the professions of the Government of India that industries of the country should be encouraged by all legitimate means. Even in the question of responsibility to the public in the matter of goods, the Railways being a department of the Government of India, have managed to evade liability. The request of the Chamber for revision of the Indian Railways Act has been put off on one plea or the other. The last that we heard about it was that Sir Narsimha Sarma, President of the Railway Rates Tribunal, was going round the country, collecting materials for the amendment of the Railway Act, but that was some years ago. Since then the matter appears to have been neglected,

While these are the directions in which this Chamber has been urging improvement of the Railway Administration and in which the Chamber has been hoping that the establishment of responsible Government will improve matters, a suggestion has been put forward now that the Statutory Board should be brought into existence. It was even mentioned that it might be brought into existence by a Statute by Parliament. It must be remembered that the Railways of India belong to the Indian taxpayer, are built up by his money and they are his property. It is extraordinary that the suggestion for the control of the Railway Authority in India by Parliamentary Statute should come forward. While many matters in connection with the Railways need improvement and if Government were about to effect these reforms, this Chamber would be glad to put forward detailed suggestions, but one cannot understand why this time is chosen to force promptly a Statutory Railway Authority, except for purpose of taking away real authority in railway matters from responsible Ministers of the Government of India after the reforms. It is usual in this country in official literature to speak of separating those who fix the policy and those who control the affairs in detail, as if this could ever separated. Either the Indian Legislature operating through its Ministers will have control or they will have no control, but to say that the Legislature will fix the policy and the Statutory Railway Authority, managing the detailed administration, will follow the policy, is all wrong. It is for the Ministers to say whether the policy is followed or not. In fact, it is for the Minister to see that the policy is followed and the Legislature, to which he is answerable, has real powers. If he has no power, nobody else could guarantee that the policy is fully followed. The commercial community regards the proposal for a Statutory Railway Board with grave suspicion and they are apprehensive that the proposals of the Government are calculated to cripple the power of the Minister and to defeat the various pro-Indian policies the Indian Legislature has expressed so far and which it will express in future,

Speech of Mr. Manu Subedar, Vice-President, Indian Merchants' Chamber at the Second Quarterly General Meeting of the Chamber, held on Tuesday, the 31st July 1934:

Gentlemen,

The most outstanding event is the publication of the report of the Tariff Board on steel industry. Your Committee have registered their protest and have sent their comment on this report. It is obvious that the Tariff Board, constituted of service men, place hunters and pedagogues, is impervious to public sentiments as well as to the best interests of Indian businessmen. It will be almost the first task of your representative in the Legislature, whoever he is in future, to secure a modification of the machinery by which tariff questions are considered at present and applications for protection are dealt with. Sir Basil Blackett used to say that he was favourable to the protection of everything, as protection brought him much needed revenue. The Indian commercial community did not oppose the financial policy of successive Finance Members, because they felt that Indian industries were being safeguarded by the levy of protective duties. In the last two years, however, the position has changed and we have the spectacle of the Finance Department of the Government of India adopting the excise duty on local manufactures, not in an isolated case and as an exception, but as a general rule and as an ordinary expedient of the Indian financial system. Against this measure the Chamber has objected as in the case of sugar and in your name I would like to mention that we shall never rest content till we get all the excise impositions removed from the statute book. An excise duty levied by a national Government, where the bulk of the requirements are produced at home and where the article lends itself easily to such levies, might be one thing, but an excise, which is imposed not in the interests of India, but in the interests of the producers of the United Kingdom, is an intolerable imposition. It is most objectionable that Indian interests should be sacrificed and Indian opinion flouted

by those who are wanting us to believe that they are assisting the cause of Indian reform and genuine transfer of power to Indian hands.

Coming to the published Bill, attention has been drawn by this Chamber that it is a vicious principle, wherever an article is protected, to go below the line of revenue duties. Going below the level of revenue duties is a stab in the back to established industries and is falsifying legitimate expectations. Further, it involves a direct sacrifice of revenue. In the present state of Indian finances it is astounding that the Government of India should countenance this proposition. This sacrifice is all the more galling as it is not in the interests of the Indian manufacturer.

With regard to preference to Britain, this Chamber has never supported or countenanced this principle, though, as businessmen, we are not unwilling in future, when political differences are all properly settled, to consider reciprocal schemes, which involve a definite benefit to India. This preference is imposed on India from outside. It is based on the expectation that Britain will only send tested materials. But there is no guarantee that Britain will not dump in this market untested material and upset all calculations on which the scheme is based. How the Tariff Board and the Government of India could be blind to the evidence of British steel manufacturers, in which they said that they were quite prepared to send to India untested steel, I cannot understand. This Chamber had already protested against the barefaced proposal of British steel interests to share out the market in India between themselves and the Tata Company, irrespective of the consequences on Indian industry, or the burden which would be imposed on the Indian consumer. Notwithstanding this, in the scheme that the Tariff Board has recommended and that has been put forward in the Bill, we find these objectionable features, which arouse legitimate apprehensions regarding the future of this industry. This is an industry, the need of which, on national grounds, and as a matter of defence from the military point of view, has been already acknowledged. It is common ground between

us and the Government, and yet we find that under the guise of protection, new taxes are being levied and a way is being made clear for the sale of British goods in India on favourable terms and no steps are being taken, which would secure the expansion of industry and self-sufficiency of India in regard to the manufacture of steel.

The apprehension that Indian interests are not being watched with the same zest and care as national interests are being watched in the United Kingdom, is further strengthened by the situation in regard to the working of the Japanese agreement and the quota. Complaints are pouring in from all sides and the import figures are eloquent that, from April to May, the importation of fent and cut pieces in Bombay increased by more than 300 per cent. Japan, which sent in April 358,000, yards, sent in May, a million and a half yards. The Japanese are also sending enormous quantities through Indian States and they appear to have studied every loophole for cutting through the quota. This menace to the Indian textile industry ought to receive greater attention from Government than it has received hitherto.

A grave peril has been created for Indian shipping interests on account of the freight war which is raging. Those whose resources are not large and whose staying power when working at a loss is not great must be wiped off, if the present position lasts long. The Indian concerns will be the greatest sufferers. Government must be aware of the grave situation, which was also put before them by your Committee. All this is occurring in spite of a definite promise by His Excellency Lord Willingdon that if the freight war waged against the small steamship companies was not stopped and if they were not taken into the Conference by the larger shipping companies plying on the coast on reasonable terms, steps would be taken to call a conference of all the interests so that the small Indian steamship companies might form part of the Conference and live and grow as an integral part of an Indian Mercantile Marine. We feel that a conference of the interests concerned should be called immediately and workable

solution found so that Indian interests are able to retain a share of the coasting trade of India which they have acquired through their enterprise in the past.

Indian commercial interests are also imperilled in outlying parts in British Colonies and in British Protectorates. From Ceylon comes the news that the import duty on ghee, vegetables, eggs and tamarind, etc. from India has been enhanced to a prohibitive extent. This matter was put by your Committee before the Secretary of the Commerce Department, but I regret to inform you that no steps appear to have been taken in this direction so far. While Ceylon is allowed merrily to hit Indian interests, Indian interests are not protected against Ceylon. The entire coast of Malabar is afflicted to-day through the catastrophic fall of prices of copra and cocoanut products as well as cocoanut oil. This fall has been brought about by unequal and unfair competition from the imports of Ceylon. It is understood that the Imperial Council of Agricultural Research is at present preparing a report on the cocoanut position. We await this report, but we once again urge on Government the need of taking prompt steps in issues of this kind, instead of closing the door after the horse has run away.

Your Chamber took the lead recently in organizing protests against the treatment of our countrymen in Zanzibar. The energy and enterprise of Indians have built up some of these countries. Indian capital has been invested in those parts. These important financial interests have been dubbed by the question begging title of 'moneylending' and very severe and inequitable laws have recently been rushed through at great haste in the legislature of Zanzibar. These laws are directed against Indians. They involve racial discrimination. They involve confiscation and sequestration of the just rights of property and the just interests, which Indians have acquired in those parts. I decline to believe that all this is done without the knowledge and consent of the Colonial Office and of the British Cabinet. The fact that it has been allowed to be done and that no notice is taken of our protests, is a clear

proof that the Englishman does not mind our interests being unjustly dealt with in other parts of the world. I am sure you will agree with me that cases like this are not going to be easily forgotten by us and that when the larger issue between England and India comes to be settled, no Indian is going to be a party to granting the demand for safeguards of English interests in this country remembering that Englishmen have declined similar safeguards to us in other parts of the Empire. Those of our senior men, who were in the habit of lecturing to us to keep to business and to leave aside politics, would now be able to see that politics and business are closely and inextricably bound up and that it is not possible to ignore the plight of our countrymen abroad and see trading and other interests of Indians being sacrificed to the greed of the White settlers and of British traders. If goodwill is going to be the foundation of any arrangement between England and India in future, such foundation appears to be very grossly threatened by the situation in Zanzibar, and I would once again on your behalf urge that this position should not be allowed to grow up and should be attacked more energetically than it has been done by the Government of India.

Your Chamber has urged from time to time the revision and consolidation of commercial legislation in several directions. As far back as 1923, the Government of India had before them the question of introducing a suitable Insurance Act. A Bill was introduced in 1925, but no further progress has been made. Indian insurance has grown rapidly in recent years and it seems necessary that regulation should be introduced on lines which have been successful in the United Kingdom. Considering the haste with which Government could introduce penal legislation of all sorts, this Chamber is astonished at the delay which has occurred in this direction. We have, however, the assurance of the Hon'ble the Member for Commerce that this issue is now before them and that we shall have the introduction of a bill on this subject very soon.

With regard to the revision of the Indian Companies' Act also, we were asked at one time to wait till the English

Act was passed. The English Act was passed in 1929 and five good years have elapsed since and yet the Government of India do not appear to be ready to proceed with his legislation. This is not a party or political legislation. It is not one, on the need of which there is any controversy, and the model of the English Act is before us. All we want is to see how far provisions which are found suitable for English conditions, would have to be modified to suit Indian conditions. In this connection we were informed that Mr. Sen, a Calcutta Attorney, has been appointed by the Government of India as a special officer to look through all the suggestions regarding the modification of Company Law, which have been made so far. Without any desire to disparage Mr. Sen, or his knowledge of the subject, I feel that it would be useless if, with Mr. Sen, is not associated some one with the knowledge of company affairs of Bombay like Professor Davar if a non-official is wanted or like Mr. Mitchell, our able and experienced Registrar of Joint Stock Companies in Bombay already in service of Government. This is my own suggestion, but I feel that, if the Government wish the work to be done promptly and well and if they wish it to be done in a manner, which will suit the province of Bombay, it will be absolutely essential to associate a Bombay man with this work. Your Chamber has taken interest in this subject as being of vital importance. Regulation is the order of the day everywhere in the world and, whatever objections may have been put forward in the past by those who had elementary ideas on freedom, everybody now recognizes that the State must interfere at many points in order to see that nothing is done, which is deleterious to the general interests of society. I repeat on your behalf that the delay is aggravating the evils already disclosed and preventing that reorganisation of business on sound lines which is needed to enable India to compete with its foreign rivals. It behoves the Government of India to proceed with this task as quickly as it is possible.

Another direction, in which modification is wanted, is the Indian Merchandise Marks Act. This Act is at present evaded, because there is no obligation to put the country of

origin, when the goods come from the United Kingdom. Such goods are brought to India and are passed on as Swadeshi goods. In the interests of commercial morality, such practices should be made punishable. We have urged these and other changes on authorities and we hope that the Commerce Department will effect the necessary amendments in these directions.

You will expect me to say something about the affairs of the Chamber, which have unfortunately received much unnecessary publicity. Having the benefit of the confidence of many senior men and of many men of the National Group, I am in a position to say that the differences have been highly exaggerated and the difficulties have been unduly magnified by interested parties, who desire to see the break-up of this Chamber and whose objective is to see internecine quarrels. It behoves all of us to defeat such designs. You have been already informed what has been done with regard to the resignation of Seth Mathuradas. You will agree with me that it would be most unfortunate if the Chamber were to lose the guidance of Seth Mathuradas at this time. The Committee have unanimously agreed to approach Seth Mathuradas with a request that, whatever the nature of the difference he may have found himself in with the Committee, he should reconsider his position and come back at the helm of affairs in this body. I am sure you also agree with me that we all have absolute confidence in Seth Mathuradas, that by his untiring zeal and unselfishness he has commanded the respect of all, and that it would be the best thing in the larger interests of the Chamber if at this critical juncture he were to resume his office and to render the same invaluable assistance to the Chamber, which he has given in the past.

Speech of Seth Mathuradas Vissanji, President, The Indian Merchants' Chamber, at the Third Quarterly General Meeting of the Chamber, held on Saturday, the 3rd November 1934.

Gentlemen,

I have much pleasure in placing before you the report of the work done by the Committee during the third quarter

ended 30th September. As usual, I shall not deal in detail with all the items in the report, but shall take up some of the outstanding questions for consideration and criticism in my speech.

STEEL PROTECTION.

You know that the Steel Protection Bill giving a renewed lease of protection to the Iron & Steel Industry was passed on 27th August 1934. An interesting question in this connection has arisen and it is that the report of the Tariff Board was made available for certain interests in Great Britain before it was published here and before the views of the Government of India on the same were published in this country. The "INDIAN FINANCE" of Calcutta rendered a service to the cause of Indian industrialism and, I may say, to the cause of India's economic independence by a grave disclosure made in its issue of 8th September. It published an extract from the monthly proceedings of the British Iron and Steel Federation, which showed that a brief summary of the recommendations of the Indian Tariff Board regarding Iron and Steel was circulated to all members. Many of you must have read this extract, and I need not trouble you with reading it again. It was, however, made clear that such an important State document was made available to the competitors of the Indian Iron & Steel Industry, obviously, with a view to getting their views on the measure of protection that should be given to the Indian industry, so that the British Iron & Steel industry might not suffer. One of our sister Chambers drew the attention of the Government of India to this, and the Government of India took opportunity of that letter to issue a communique purporting to contradict what had appeared in the press and to state that no premature disclosure of the Tariff Board's Report had taken place. I have gone carefully through the communique and cannot say the Government have come out of the situation with flying colours. After reading the communique we are still left with the feeling that there was a grave breach of privilege and that the convention with regard to Fiscal Autonomy was given a setback. We have been hearing

for the last four years of the so-called "Safeguards", which are wanted in the interests of foreigners or, say, rather Britishers trading in this country. The fact which emerges out of this disclosure made by the "Indian Finance" is that if safeguards are required at all they are required in the interests of Indian Industry, and not in the interests of British traders or British industry. It is a grave portent of what is going to happen under the so-called White Paper Scheme, and I trust that all our Indian Chambers of Commerce and Associations, both industrial and commercial, will realise the gravity of the situation. Incidents which have happened during the last few years indicate that Government are obviously in the direction of strengthening, and not loosening, their stranglehold on India, specially with regard to economic and financial matters. The action taken by Government with regard to the steel enquiry is but one of these incidents. I shall also deal with another of the same sort, for which, this time, not the British Government but the Government of India are responsible.

CONCESSION TO IMPERIAL CHEMICALS.

This is the concessions proposed to be given to the Imperial Chemicals to start a Chemical Works in this country, the concessions having been asked for a period of 50 years. A series of interpellations were put in the Legislative Assembly by Mr. B. Das and others with regard to the subject, and Mr. Raisman, who was replying on behalf of Government, was subjected to a regular fusilade of questions. It was quite obvious that he could not get out of it satisfactorily and that the position for him was very uncomfortable. What one can gather from these interpellations is that the Imperial Chemicals propose to exploit the salt and lime resources of India; that it is a private limited company registered in this country and that, so far as one can know, there are no Indians as shareholders or directors of the same. Government did not consider this question of importance enough to bring before the Assembly and apparently, entered into negotiations in the ordinary course of their executive powers. Concessions given in this wise have formed the subject of discus-

sion for years and years and I believe this Chamber busied itself with some of these concessions even in the very beginning of its career. Even before that period, the Indian Industrial Conference had taken up this question. The agitation which thus went on for years led ultimately to the appointment of the External Capital Committee; but now it appears that even the Report of that Committee is going to be shelved and relegated in the matter of giving concessions to foreign firms. I am one of those who believe that the White Paper scheme, instead of being progressive, is reactionary, specially with regard to Finance and Economics. The changed attitude, both of the Government here and the Imperial Government, has been seen in the discussion of "Safeguards," and the steps that have been taken here to implement the Ottawa Pact, as also in the new orientation which is sought to be given to the terms "Indians" and "foreigners'." Practically any company which gets itself registered in this country and anyone who resides here for purpose of trade and industry will be considered Indian and will receive concessions on this score. In fact they will have a double advantage, as they will be considered eligible as Britishers to have special "safeguards" of their own, and at the same time, parading as Indians, will get the concessions which are allocated to Indians. The position, therefore, for our industries and trade is extremely serious, and it behoves all to put up a strong united and concerted fight against the implications of the White Paper which will be continued or, perhaps, even made worse in the report of the Joint Parliamentary Committee.

THE NEW DEFINITION OF SWADESHI AS GIVEN BY MAHATMAJI.

The definition of Sawdeshi given by Mahatmaji has been known to us for the last few months and discussion has gone on in the public press with regard to the same. The Exhibition which was held in Bombay during the Congress days and which many of us visited to our advantage was organised on the basis of this definition. From the time that Mahatmaji placed a high value on hand-spinning and hand-weaving, he has made it very clear with all the earnestness

he can command, that for the economic uplift of the Indian nation, rural uplift is mainly required. This was long before the official talks on rural uplift began accompanied by all the propaganda which Government can command. Mahatmaji's ideal has now taken perhaps a still more definite and practical turn. It is not confined to hand-spinning or hand-weaving only, but extends to all the village industries, and the Swadeshi or rather the neo-Swadeshi as one would call it, is now to embrace only those industries which do not require large organisation. While these industries do certainly require protection from the people, it would not be in the economic interests of the country to neglect large and organised industries. Though India is getting to be an industrial country, and though she is deemed as such, according to the definition of the League of Nations, she is still far from the ideal of industrialisation, which is in vogue in Western countries. We all aim at making India self-contained with regard to her requirements, whether big or small, but unfortunately she is still far from this ideal. We still are not able to make machinery, ships, heavy chemicals and several other articles of industrial importance, for all of which we have to depend upon foreign countries. Even with regard to industries which are at present organised on a large scale, we have to depend upon such protection as Government offer in a desultory manner and with a grudging hand. It several times happens that Government take away with the right hand what they give with the left. Thus while giving protection to the piece-goods industry, the Lees-Mody Pact and the Convention with Japan were allowed to act as great obstacles and ultimately to reduce the benefits of the protective duties. The same was the case with regard to the Iron & Steel Industry. I am afraid that the Ottwa Pact followed by all such other Pacts and Conventions will go greatly to reduce the importance of a policy of protection for India, and to thwart her Industrial and Commercial progress. India was referred to in the old days of the Congress as the milch cow of the Empire. If these different Pacts and Conventions come into operation one after the other, she will, perhaps, be soon the milch cow of the world. Under these circumstances, I should like to

appeal to Mahatmaji not to exclude articles manufactured through large and organised industries from his fostering care as well as from the fostering care and protection of the Congress. Mahatmaji wrote in his definition of Swadeshi that it would "exclude articles manufactured through large and organised industries which are well able to take care of themselves and which can command State protection without needing popular aid." I have shown above that they are neither able to take care of themselves nor can command State protection to a satisfactory extent. India requires both large and small industries, situated as we are at present, both politically and economically. It is hopeless to expect any aid from the State which will make these industries self-sufficient and able to take care of themselves.

COMMERCIAL TREATIES.

A Trade delegation is coming from Italy to negotiate a Trade Convention with the Government of India. We do not still know the lines on which these Trade negotiations will be carried on or the exact function of the delegation from Italy. No press note has been issued upto now in this connection, nor do we know if any non-officials representing commercial India will be associated with the negotiations that will be carried on at Delhi. Non-officials were associated with the trade negotiations with Japan and I should think that the precedent created then might well be followed with regard to trade negotiations with Italy. Unfortunately this precedent was not followed with regard to the trade negotiations that had been carried on with Ireland, and one does not also understand why the negotiations were carried on in Ireland and England and not in this country as in the case of Japan and now in the case of Italy. Whenever we ask for a close association of non-officials with regard to such trade Conventions and Treaties, a convenient reply is given that it is the Executive Government in every country which carries on such negotiations and enters into commercial treaties. The reply, however, ignores the fact that while in other countries there is a responsible government and the Executive which

ignores or neglects the interests of the country can be removed by the legislatures, we here have an Executive which is solidly irremovable. If the Executive commits any mistake or ignores our interests, we have to suffer silently and quietly without any other power but of protesting, to use the words to be found in all our representations 'respectfully and emphatically.' It is because of this that there is a great and vital necessity for association of non-official Indians with the negotiations.

OTTAWA PACT AND SIR SHANMUKHAM CHETTY.

I would not have referred in this speech of mine to the Ottawa Pact, as I have already indirectly referred to it in my previous paragraphs, and as I have several times, before, condemned the Pact and its implications. Unfortunately, Sir Shanmukham Chetty who is one of the candidates for election to the Legislative Assembly from the Southern India Commerce Constituency, has felt himself called upon to bring in the Ottawa Pact in his election speeches and to justify his conduct with regard to signing of the same. Practically the whole of the Indian commercial community has condemned the Ottawa Pact, and facts and figures in connection with the trade of India since the Pact was signed, have gone to show that the interests of the country have suffered; and yet Sir Shanmukham Chetty now tries to repudiate the suggestion that he had betrayed the country. He has the temerity to imply that the whole of the Indian business community has not understood the entire question. I am referring to the speech which he had made on 25th September at Sa'em, when Dr. Varadarajulu Naidu presided. He emphasised that by that Treaty, India had greatly benefited. Your Committee recently, dealing with the Report of Dr. Meek on the working of the Ottawa Trade Agreement, exposed all the fallacies underlying that Report, and so I need not enter into details here to show how Sir Shanmukham Chetty is drawing a red herring across the trail to prove his own justification and innocence regarding the Ottawa Pact. He wanted to show in his speech that India stood to gain Rs. 3 crores by

arrangement of duty concessions with England. I cannot understand how he has arrived at this figure. So far as we can see, the preferences given to British goods and the preferences operating under the Pact have not proved in any way beneficial, but have saddled India with a veritable Old Man of the Sea on her back. Sir Shanmukham Chetty said that a clause had been added in the Pact that only such British goods as were not capable of being manufactured in India would be shown preference in the matter of Tariff, thus allowing full room for the growth of Swadeshi industries. What has been our experience both with regard to the piecegoods and Iron & Steel industries? Preferences have been given to British goods regardless of the fact whether such preferences hindered the future growth of our industries or not. I have never agreed with the view of those who would have it that if preferences were shown with regard to those lines of industries which were not in existence at present in the country, they would not interfere with the progressive growth of the Swadeshi industries. I consider that such preferences do come in the way of such a healthy growth. India at present may not be manufacturing certain lines of finer piecegoods or certain lines of iron and steel, but that is no reason to think that she will not manufacture those lines even in the near future. Preferences given in such lines will mean that the foreign goods will flood the market in this country and once a market is established, it will be found very difficult, as it has been in the past, to dislodge the foreign goods.

RETIREMENT OF MAHATMAJI.

I cannot conclude this speech without referring to two things. One is the retirement of Mahatmaji from the helm of the Congress. I consider it as a great disaster to the country in general and to the Congress in particular, as his has always been a sobering influence and with his intrepedity, moral fearlessness and cult of Truth and Non-violence has been always a tremendous force against forces of reaction, disorder and repression wherever these were to be found. Let us hope that before long he will again take his legitimate place

at the head of affairs in the country. Even while he is in his so-called retirement, he will be busy with questions vital to the country like Village Industries and removal of Untouchability, and his guidance and advice will for ever be forthcoming in times of emergency and travail.

DEATH OF SIR MUNMOHANDAS RAMJI.

The other thing to which I would like to refer is the sad death of the Founder of this Chamber, Sir Munmohandas Ramji. Your Committee passed a resolution that

> "The Committee of the Indian Merchants' Chamber record their sense of the great loss to the Indian commercial community in the death of Sir Munmohandas Ramji, Kt. He was the founder of this Chamber and its President and has rendered valuable services. His memory will ever remain green in the hearts of those who worked with him. Bombay has lost in him an outstanding citizen, and India a great patriot. For more than a generation he occupied a central place in the public life of the City and of the country. The Committee desire to place on record their appreciation of the great services rendered by Sir Munmohandas."

and there was a public meeting convened by the Sheriff to mourn the loss the City in particular and the country in general have suffered through his death. He founded this Chamber and upto the last retained his love for this Institution. His far-sighted sagacity, his shrewd business instinct, his common sense and his courage will for ever be cherished by us and his memory will remain for ever green in our hearts.

Speech of Mr. Manu Subedar, Vice-President of the Chamber, at the Third Quarterly General Meeting, held on 3-11-34:

EVIL OF GAMBLING AND SPECULATION.

I would like to refer to an evil, which is steadily on the increase and from which the community is likely to suffer in many directions if no steps are taken to check it. This is

the evil of gambling. It is true that gambling is free for the rich on the turf and in their clubs and that the poor, when they indulge in the same sport in other ways, are penalised. There is also the evil of gambling and Sutta betting, in which the authorities appear to be taking active steps, but it seems to be still increasing not only in Bombay, but in mofussil centres. There is the gambling on the wholesale commodity markets and, lastly, there is rampant speculation on the stock exchange. You are aware that the American Government have recently taken steps to reduce the amount of gambling. It is true that a futures market should exist, but this delicate machinery is likely to be abused and, when such an abuse takes place, it is necessary for the authorities to look into the matter. Bombay has suffered from the periodical feverish activity on the Stock Exchange, leading up to a crisis, to the suspension of work for a few days and to default on the part of some brokers. I do not wish to detract from the credit, which is due to the Chairman and the Committee of the Bombay Stock Exchange for such measures as they are taking during these emergencies, but I cannot help feeling that these events are occurring with greater frequency now than before, and that the harm, which they do, is soon forgotten. The rules of the Bombay Stock Exchange and its constitution should be so modified as to render this phenomenon as infrequent as possible.

PLANNED ECONOMY FOR INDIA.

While many countries in the world are now obliged to take account of all the aspects of the life of their people and to regulate and plan in advance by foresight, no such planned economy is attempted in India. If we had got a National Government, its first task would have been to see that, activity of individuals does not interfere with the general good and in no department of life and in no trade is work carried on in a manner, which would weaken the economic life of the country as a whole. It is the characteristic of private enterprise and the capitalistic age, in which we live, that the initiative for new enterprise is in private hands. Everybody does what he thinks is most advantageous to himself and, often

by their collective action, they all come to a stage where everybody would have benefited, if their activities had been on a more moderate scale. The realisation, however, comes too late and the harm is done. No correction to this inherent characteristic of our economic life has been found except in regulation by the State. A periodical examination of the position of industries and different trades by the State would disclose where there is room for expansion and where expansion has been already overdone. A few years ago it was urged from every quarter that, the sugar industry was profitable, was necessary, and was well protected, and every time we heard of a new company being established, we were glad. To-day the position is such that the sugar interests themselves realise that it is necessary to prevent over-production, overlapping and cut-throat competition, in order to save the capital already sunk in this direction. The cement companies of India have been saved from ruination by a voluntary pool after their application for protection came to nought! I am glad that the interests of the investors in the cement industry have been protected, but I would like this to be done under official supervision, as otherwise there is the danger of monopoly arising. Against monopolistic exploitation at the hands of foreigners in kerosene and petrol, the Government of India have shown themselves weak and unable to take action. It will be realised that, Indian interests, both as consumers and as producers, need watching and there is no machinery in this country corresponding to the machinery existing in Japan, Germany, France, England and the United States of America, to survey economic positions and to report on all activities. We are living in India in drift. Everything is left to itself, except that the more clamarous foreign interests generally manage to get what they want. We are told that in India, Indian interests come first, but that is not always seen by us. Sir George Schuster played with the idea of an Economic Council for India as forecast by Sir Arthur Salter. Lest it should be regarded that, what I am saying to-day, is merely another stick to hit the Government, I would say that this is not merely the view, which we, Indian businessmen, hold. The view that India was drifting and that it

was necessary to have some economic planning, was put forward in the Assembly by Mr. James of Madras. The traditional view of things in the United Kingdom is that, John Bull will muddle through. This has already been exploded for the United Kingdom, but this seems to persist even now in Government quarters in India, so far as the economic life of the people is concerned.

TRADE AGREEMENT WITH THE UNITED KINGDOM.

There is a certain matter, on which we are not drifting, and that is the safeguarding of English trade interests in India. I cannot imagine in any country in the world, Government taking up negotiations in detail and fixing up everything and then informing the Legislature, without any prior consultation either with the representatives of the commercial community or with any sub-committee of the Legislature concerned with this subject. Government is prone to put forward such agreements as accomplished facts, as they did in the case of Ottawa. They then put official apologists to twist statistics and economic facts to prove that the agreement has worked to the advantage of India. But the cat is out of the bag in the declaration from Lancashire that, they desire only 11 per cent. duty against the import of Lancashire piece-goods in this country, and they want to inflict this sacrifice both on Indian revenues and Indian producers in consideration of the administrative and defence protection given to India by the United Kingdom. This is just the contention, against which this country is fighting. If Britain wished to regard India as a conquest and, on that score, to continue to gain economic advantages from India, they will find Indian opinion everywhere and of every kind dead against such an idea. Nobody objects to reciprocal trade agreements between India and other countries, or even between India and the United Kingdom, so long as such agreements emanate after careful examination by representative Indians, who voice the feelings of their countrymen and who are pledged to safeguard Indian interests.

ADMINISTRATION OF RAILWAYS.

It is in the same spirit and with the same desire to see proper regulation and co-ordination of all activities, that this Chamber has asked from time to time for a review of the Indian Companies' Act, the Indian Insurance Act, the Merchandise Marks Act, and, last but not the least, the Indian Railways Act. Recent statements officially made to this Chamber from Government quarters on some of these subjects are very reassuring, with the exception of the Railway Act. The grievances of the public in regard to Railway Risk Note still remain. The material for the revision of the Railway Act in India was collected by the late Sir Narasinha Sarma, Chairman of the Railway Rates Enquiry Committee, some years ago, but since then Government appear to be more anxious to foist on this country the statutory Railway Authority, than to correct the anachronisms of the law relating to Railways. A protest has gone out from many quarters in this country against the establishment of any statutory Railway Authority. We do not want the control of the Assembly over Railway matters to be reduced. We do not want responsible Ministers of the Federation, whenever it comes, to be deprived of their responsibility in Railway matters. We do not want the Railway executive to say that they are running a commercial body on lines laid down in the statute and, so long as they keep within the limits of that statute, they are not bound by anything, which the Legislature may ask them to do. I fully appreciate the difference between large issues of policy and working management from day to day. Why it should be supposed that Indian Ministers will not allow the executive work to be carried on and will continuously interfere in small details, I cannot say. Why is it expected that Indian Ministers will act in this respect differently from others? It is a gratuitous insult to Indians to suggest that, Indian Ministers will not know what is reasonable and proper and will interfere with the day to day management. The whole basis of the proposed statutory Railway Board appears to be to take away as much out of the purview of the responsible Ministers as possible. As this is our conviction, this Cham-

ber has continued to voice public opinion on this subject. There is room for improvement in the administration of Railways in India from the point of view of businessmen as the administration is at present entirely in the hands of those, who have grown and got their experience and observation of life in the railway service itself. This Chamber will continue to suggest constructive reforms, but will stoutly oppose the establishment of the Statutory Railway Board.

AN APPEAL FOR THE BUILDING FUND.

I desire to draw your attention to an important fact with regard to the existence and progress of this Chamber. Beginning with the large-handed generosity and public spirit of Seth Chatrabhuj Gordhandas, and as the result of other contributions, this Chamber has secured, by way of a memorial to the late Mr. Lalji Naranji, a handsome sum. Mr. Lalji Naranji played an important part in the life of this Chamber and was one of those rare people, who understood the conflicting standpoints between the Senior and the Junior men in the Chamber The Lalji Naranji Memorial Committee has not been able to work as effectively as it might have, owing to the absence from Bombay of our Chairman and his prolonged illness during the year. A building is a great requisite to this Chamber, whose offices have shifted from time to time and which, on most occasions, found itself in unsuitable surroundings. Even the present office premises are not ideal. A building would give this Chamber, at the end of twenty-seven years work, a permanent home and a permanent place. It would redound to the credit of the Indian commercial community, which has shown itself foremost in enterprise and second to none in promoting charitable and public objects. That such a community can, if it desired, itself put up a magnificent structure for the Indian Merchants' Chamber in a prominent place in Bombay, is not to be doubted. You will then wonder why this praiseworthy object has not progressed as well as most of us would desire to see it progress. I disclaim every intention of bringing in controversial topics or party politics, or election issues, in what I am saying before you, but I am afraid that the response and the co-operation,

which such a laudable object as providing a memorial for one of the most prominent men, who helped in building up this Chamber, and a building for an outstanding institution in Bombay, should evoke, have not been forthcoming from certain quarters. It is for them to say why they have been slack in this manner. All I can say as an office-bearer of this Chamber, is that, whatever difference of opinion may exist on current topics or on any issues, which agitate the minds of members of this Chamber, it is the common duty of all to stand by this institution. It is even a greater obligation on those who have derived splendour in their public life through the Chamber. I would appeal to them, to whom this matter refers, to show large-minded public spirit and to help in this object, instead of standing aloof. I shall also make an appeal on your behalf to the Chairman of the Chamber for this year that, according to his prestige and standing in Bombay and according to his wealth, it is at his hands that we expect an object of this kind to be advanced and completed before he lays down the reins of office. I would at the same time appeal to you all to keep this important subject in mind and to help in carrying out this object, which will enhance the credit of the members of this Chamber and of the Indian commercial community.

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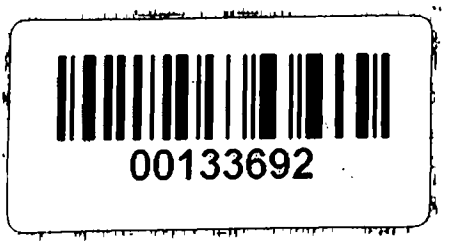
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